Daily Report

Central Eurasia

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FBIS-SOV-95-086 *4 May 1995*

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Serov Interviewed on CIS Debt Restructuring

MM0305151095 Moscow KOMMERSANT-DAILY in Russian 3 May 95 p 4

[Interview with Valeriy Serov, head of the Russian Ministry for Cooperation with CIS Member States, by unnamed correspondent; date and place of interview not stated: "In the CIS Russia Has a Chance of Feeling It Is the West"—first three paragraphs are introduction]

[FBIS Translated Text] Valeriy Serov, head of the Ministry for Cooperation with CIS Member States since February 1995, is 55 years old and a construction specialist. In the mid-eighties he was deputy chairman of the USSR State Planning Committee for construction. In Valentin Pavlov's government he headed the USSR State Construction Committee. Before being appointed to the post of leader of the Ministry for Cooperation with CIS Member States he was chairman of the International Union of Construction Workers.

The Ministry for Cooperation with CIS Member States was created in January 1994 on the basis of the State Committee for Cooperation with CIS Member States. Its main tasks are the elaboration and monitoring of the fulfillment of bilateral and multilateral documents on the CIS countries' economic integration. At present it is in fact performing the functions of the Interstate Economic Committee.

Since economic integration in the CIS received very promising guidelines—a payments union based on a recognition of the member countries' currency sovereignty and the Interstate Economic Committee as the first supranational organ with powers in economic regulation—a period of nine months has elapsed. That time would seem to give grounds for counting on the discovery of signs of advance in the chosen direction. But, having stated its fundamental difference from its predecessor—CEMA—the CIS economic union has so far demonstrated the operation of the same (essentially political) delaying factors: the countries' reluctance to delegate part of their prerogatives to the Interstate Economic Committee and their unpreparedness for investigating the debt issues that have accumulated. Nonetheless the interview which Valeriy Serov, head of the Russian Ministry for Cooperation with CIS Member States gave KOMMERSANT-DAILY attests that there is still headway on these strategic salients and it is the Ministry for Cooperation with CIS Member States that is the motivating force. The most important thing is that the scheme for restructuring Russia's Ukrainian debts could be viewed as a precedent for resolving debt problems. On the other hand other CIS countries plan to use Russian experience of transferring technical credits to state credits in building relations between themselves.

[KOMMERSANT-DAILY] Will Russia adopt a unified system for restructuring the CIS countries' debts?

[Serov] Talks on restructuring debts are being conducted by Russia on a bilateral basis. So far only one such agreement has been concluded. It was signed 20 March this year with the Ukrainian Government. In accordance with the document Kiev is granted a deferment on the payment of debts which were defaulted on in 1994 to extinguish the main debt for Russia's state credits, the interest for the use of credit in 1993-1994, and part of the main debt to be extinguished in 1995. Here for the entire sum of the deferred debt the Ukrainian side will hand over to Russia promissory notes (in U.S. dollars) according with international standards. Ukraine's commitments for the return of the debt are thus recognized by it as unconditional and payments should be made without any withdrawals, stoppages, and clearing account payments of any type.

At the same time Ukraine has undertaken to eliminate the debt for the interest for the use of the Russian state credit for 1993 to be paid in 1994 and the interest on the defaulted payments to extinguish this credit in 1994. By the beginning of April Russia had received $68 million from Ukraine in the form of debt servicing. We reckon that in the future too Kiev will strictly observe the spirit and letter of this agreement. That is important, because the Russian federal budget for 1995 does not provide for the allocation of funds to grant state credits to the CIS countries. Russia will be able to grant credits under its commitments even for 1994 only through the receipt of funds from other CIS countries to extinguish their debts.

Apart from Ukraine several other CIS countries have asked Russia to restructure their debts. An appeal from Kyrgyzstan on the restructuring of debts for 1992-1993 has already been examined. In this connection a draft agreement has been prepared which has been presented to the Kyrgyz side to study. A request from Georgia is at the examination stage in the Ministry of Finances.

[KOMMERSANT-DAILY] What are the prospects of conducting a realistic coordinated currency policy for members of the CIS payments union?

[Serov] The payments union is a voluntary association of states to ensure uninterrupted transactions using the mutual convertibility of national currencies. It is important that in the transactions of the states belonging to the union no restrictions should be allowed for the acceptance and use of national currencies. Agreements have been signed with the governments and national banks of Belarus (6 January 1995) and Kazakhstan (20 January 1995) on measures to ensure the mutual convertibility and stabilization of national currencies. Drafts of similar agreements with Moldova, Kyrgyzstan, Uzbekistan, and Turkmenistan have been prepared.

In accordance with the agreement on the creation of a payments union proposals have been prepared for the creation of an International Currency Committee. Drafts of the agreement and the statute on the International Currency Committee were approved 10 March by the Interstate Economic Committee presidium and were submitted for examination by the council of heads of government, whose session will take place at the end of May.

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As for a realistic coordinated policy then that task goes beyond the framework of the payments union. it will be decided at the next stage of the CIS states' integration—when concluding an agreement on the creation of a currency union.

[KOMMERSANT-DAILY] Is the CIS Interstate Bank needed right now?

[Serov] The Interstate Bank was founded by 10 CIS states (apart from Azerbaijan and Georgia) 22 January 1993. In that period the CIS countries have been oriented toward the creation of a single monetary system and interstate settlements have been through a system of central banks' correspondent accounts. But by the time of the completion in August 1994 of the legal and organizational period of the Interstate Bank's formation the situation in the sphere of interstate settlements had changed drastically. National currencies were introduced in the CIS countries and an agreement was concluded on the creation of a payments union. As a result payment transactions began to be carried out mainly through commercial banks with a tiny number of transactions (3-5 percent) through central banks' accounts. The Interstate Bank in the form in which it was created thus does not accord with the new conditions for making payments between the CIS countries.

A large amount of work is now under way to attract Russia's largest commercial banks to the organization of a CIS international commercial clearing center. About 30 banks have agreed to take part in it.

[KOMMERSANT-DAILY] What real progress has been achieved in establishing supranational CIS organs?

[Serov] Despite the fact that six months have elapsed since the decision to create the Interstate Economic Committee, the stage of its organizational establishment has still not been completed. The solution of the question of granting the Interstate Economic Committee premises is being dragged out and financing for the Interstate Economic Committee has not actually been opened but the main thing is that the committee apparatus has not yet been formed. So the functions of this apparatus are now being fulfilled by the Ministry for Cooperation with CIS Member States.

In general supranational organs of economic union should not only discuss and coordinate problems of the development of integration in the CIS but also make practical decisions compulsory for execution by all countries of the CIS and making it possible to provide real incentives to integration processes. In this connection the question is still open of whether the Interstate Economic Committee will be restricted to consultative and coordinating functions or whether it will be able to make decisions which all states taking part in the committee's work will be able to fulfill unconditionally. There is still hope of this. With regard to the executive and control functions defined by the statute on the Interstate Economic Committee and delegated to it by the CIS countries so far there have been no reservations from the CIS countries.

As of today several sessions of the Interstate Economic Committee Presidium and Collegium have already been held which have examined a number of organizational issues connected with ensuring the committee's activity and have approved the foundations of customs legislation and a unified method of customs statistics for the CIS countries and examined agreements on cooperation in the field of the protection of labor and an interstate fund for aid for refugees and resettlers.

CIS Countries Form Anti-Car Theft Alliance

MM0305151495 Moscow ROSSIYSKAYA GAZETA in Russian 29 Apr 95 Weekend Edition p 15

[Report by Andrey Danilov incorporating interview with Candidate of Juridical Sciences David Taurins, general secretary of the International Road Traffic Organization, at the organization's headquarters, presumably in Geneva; date not given: "'Eastern Express:' Thieves' Route"]

[FBIS Translated Text] By forming a new alliance in Switzerland the CIS countries intend to put the brakes on the convoy of stolen motor vehicles from Europe to Asia.

A Russian will find this hard to believe, but only after half an hour a high-ranking diplomat working in Geneva, an old friend who had invited me to his home for the evening, suddenly remembered that he had left the keys to his car, parked in an underground garage, in the trunk lock. But instead of rushing down we calmly dined, after which we collected the keys, and having noticed my surprise my friend, a former journalist colleague, "donated" a story little known in Russia on the "burning" topic of endless automobile thefts.

Every year around 2 million automobiles are stolen in the Old World, half of which more often than not end up in former USSR republics and further afield in Mongolia and China. Experts believe that the sum total of illegal resales of means of transport is $15-25 billion. Moreover, the Soviet Union's actual disintegration indirectly gave the "green light" to interethnic criminal groupings. They are "onto a good thing" because every sovereign state has established its own procedure for registering vehicles and drawing up their technical documents in its national language.... The result is that now, when somebody who has contravened traffic regulations is detained in any West European or Russian city, it is virtually impossible for the guardians of the law to investigate the legality of the driver's license produced and of other vehicle documents which are written in the native language without any translation.

In an effort to halt this criminal flow by joint efforts, approximately a year ago representatives of the state automobile inspectorates of a number of countries

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formed the Interim Constituent Council of the current International Road Traffic Organization (IRTO) in the Swiss capital [as published] on the basis of government powers. Six months later, following meticulous legal preparation, for the first time in diplomatic history 11 former USSR countries (so far excluding Russia) de jure enshrined the IRTO's intergovernmental status. At the first General Assembly session 34-year-old Latvian citizen David Taurins, candidate of juridical sciences, was elected the organization's general secretary.

We talk to him at IRTO headquarters.

[Danilov] What are the IRTO's aims and functions—is it a kind of worldwide GAI [State Motor Vehicle Inspection Administration]?

[Taurins] They are set out in detail in the two conventions elaborated by experts from the IRTO and the Institute for Legal Policy and Problems of Applying Laws of the Russian Legal Academy Under the Russian Federation Ministry of Justice—"On Measures To Prevent the Theft of Means of transport and To Return Them to Their Legal Owners" and "On Combating Road Transport Offenders." Moreover, a similar European convention has long been in existence. But our founders—former Soviet republics—have at one time or another dropped out of its field of activity.

We believe that the problem of motor vehicle theft can be neutralized above all on the basis of collaboration between interested states—by toughening up sanctions, taking the necessary preventive measures, and increasing the level of awareness of the transit of stolen motor vehicles. In addition it is necessary to create a centralized data bank of stolen means of transport and to standardize registration documents and documents confirming the right to be in possession of an automobile. Furthermore, it is proposed to establish a uniform period for the registration of means of transport by the competent organs.

Finally, it is envisaged that no automobile transported from one country to another can be registered without its individual "death certificate"—a document confirming that this means of transport has been deregistered at the previous place of registration. Moreover, if this "death certificate" is not produced within the stipulated time, the motor vehicle is handed over to the law-enforcement organs for investigation. Under the convention the competent departments must ensure the safekeeping of the detained means of transport and their return to their legal owners within a period of three months at most, irrespective of the stages of the relevant crime and the prosecution of its perpetrators.

[Danilov] What are the sources of finance for your large-scale organization?

[Taurins] According to international practice the IRTO's budget is formed from member-countries' contributions. Several former USSR states helped to defray the initial organizational expenditure. An additional source of finance is work with insurance companies, which are incurring losses running into billions as a result of obligatory insurance payouts to the owners of stolen automobiles. Therefore, if we succeed in ensuring even the partial identification, location, and return of stolen means of transport to their owners, insurance companies are prepared to subsidize not only the IRTO itself but also the countries participating in its activity.

[Danilov] Why has Russia so far been outside the IRTO's field of activity?

[Taurins] A paradoxical situation has developed, because it is hard to solve problems which are pressing for all IRTO participants without the participation of a power such as the Russian Federation. Leaving aside the fact that Russia geographically borders most IRTO founders and that the Russian "share" in the criminal situation regarding the theft and sale of stolen motor vehicles is rather substantial. Therefore to be fair we must inform your esteemed newspaper's readers that the relevant letters inviting Russia to become a founder and to sign the IRTO Convention were long ago sent to leaders of the Russian Government, Ministry of Internal Affairs, and Russian Federation diplomatic mission in Switzerland. Moreover, Russian Foreign Ministry representatives are thoroughly familiar with the IRTO's activity in Geneva. So we await the appropriate replies from Moscow.

Meanwhile talks are in full swing with a number of East European and Asian countries and the authorized representatives of Germany and the European Union, who are interested in mutually advantageous cooperation aimed at "neutralizing" the theft and eastward disappearance of automobiles, which has now become a chronic problem....

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ITAR-TASS Carries Press Review for 4 May

LD0405055295 Moscow ITAR-TASS in English 0509 GMT 4 May 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, May 4 (Itar-Tass)—Most national newspapers today lead with the upcoming celebrations of the 50th anniversary of the victory in the Great Patriotic War.

KRASNAYA ZVEZDA (Red Star) carries contribution by the defence ministers of Russia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Ukraine. All of them are published under the general heading "Victory is our common fate, our common memory, our pride and glory".

ROSSIYSKAYA GAZETA carries on its front page an article discussing problems facing the veterans and the effect of the laws concerning war and labour veterans.

IZVESTIYA's front page features a report about the events in Croatia and the world reaction to the Croat army assault on the Serb positions. The author wonders if this should be seen as the breakout of another major war on the eve of the VE Anniversary.

IZVESTIYA also carries an article concerning by-elections to the State Duma, and a report about hearings in the U.S. House Commission for Security and Cooperation in Europe to which Russia's human rights champion Sergey Kovalev was invited. Kovalev said: "I have just returned from the Chechen village of Samashki where a punitive operation killed more than 100 inhabitants and burned many houses to ashes."

ROSSIYSKIYE VESTI leads with a report concerning higher school graduates drafted to serve in the army. The report recounts the Russian President's efforts to balance the interests of both the military and the scientists.

PRAVDA gives frontpage space to a summary of the Mayday celebrations in various cities of the Commonwealth. The author says it should be seen as a trend that the celebrations were largely held under red banners.

PRAVDA ROSSIY carries an interview with the former Soviet defence minister Dmitriy Yazov. The marshal reviews the alignment of forces in the world before the fiftieth anniversary of the victory in Europe and contemplates the present state of affairs in Russia. Yazov also expounds his own viewpoint on the events that preceded the breakout of the Second World War.

TRUD's front page features three reports under one general heading "The Flames of War are there again". The reports cover the latest developments in Chechnya, Tajikistan and Croatia.

TRUD also carries an article about criminals acting in disguise, and a summary of foreign press reports about the state of healthcare in Russia as seen by foreign specialists.

CIS Delegation Visiting Nagorno-Karabakh

LD0405124395 Moscow ITAR-TASS in English 1156 GMT 4 May 95

[By Tigran Liloyan]

[FBIS Transcribed Text] YEREVAN, May 4 (Itar-Tass)—A delegation of the Interparliamentary Assembly of the Commonwealth of Independent States (CIS) on a visit here left for Stepanakert onboard a helicopter on Thursday. The delegation's visit to Armenia, Nagorno-Karabakh and Azerbaijan is timed for the first anniversary of the signing of the Bishkek protocol for the settlement of the Karabakh conflict which falls due tomorrow. The protocol concluded with the mediation of the Interparlaimentary Assembly signalled the ceasefire in Nagorno-Karabakh which is observed for a year now. The delegation includes members of parliaments of Russia, Belarus, Moldova, representative of the Council of the Interparliamentary Assembly, and Vladimir Kazimirov, personal representative of the Russian President for the Karabakh settlement.

Arriving in Yerevan on Tuesday, the delegation of the Interparliamentary Assembly met with the Armenian President and with the speaker of the Armenian parliament and conducted negotiations at the Armenian Foreign Ministry and State Agency for refugees. A message from Speaker of Russia's Federation Council, chairman of the Council of the Interparliamentary Assembly Vladimir Shumeyko was turned over to leaders of the Armenian parliament. The message, specifically, calls attention to the need to promote the release of prisoners-of-war and hostages by the anniversary of the ceasefire in the zone of the conflict. The matter was raised when representatives of the Interparliamentary Assembly werereceived at the Yerevan mission of the International Red Cross Committee.

In Stepanakert, the guests will meet with the leaders of Nagorno-Karabakh, with war veterans, with representatives of the International Red Cross Committee and will make a trip to the city of Shusha.

33 Journalists Killed Since Beginning of 1994

MM0405115895 Moscow IZVESTIYA in Russian 4 May 95 p 1

[Unattributed report: "Freedom of Speech Costs Lives"]

[FBIS Translated Text] According to figures from the Foundation for the Protection of Glasnost, 21 journalists perished last year on the territory of the former USSR. In the first four months of this year, another 12 names of our colleagues have been joined the ranks of the martyrs, including nine Russians, ITAR-TASS reported in connection with World Freedom of Press Day celebrated 3 May. The international "Freedom House" foundation, which is involved in problems of the press, categorizes Russia as one of the countries where the profession of a journalist is most dangerous.

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Yeltsin 'Aware' of Concern Over Iran Nuclear Plant

LD0305164095 Moscow INTERFAX in English 1609 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (Interfax)—President Boris Yeltsin is "well aware of U.S. concern about the plans to build a nuclear power plant in Iran." President Clinton voiced that concern last September when Yeltsin visited the United States, Yeltsin's press secretary Sergey Medvedev told Interfax.

But, according to Medvedev, the plans to build a nuclear power plant in Iran meet the provisions of the Nuclear Nonproliferation Pact and IAEA regulations. "Even now emissaries of the International Atomic Energy Agency have reaffirmed that the Agency bears no grudge against Iran," Medvedev said.

Medvedev called for a compromise solution that would "erase U.S. doubts" and said that a compromise solution could well be found by the Russian and U.S. leaders when they met later this month in Moscow.

U.S. Call for Embargo Against Iran Rejected

LD0305161595 Moscow Voice of Russia World Service in English 1500 GMT 3 May 95

[FBIS Transcribed Text] The Russian Ministry for Atomic Energy has rejected a call by the United States President Bill Clinton for an economic embargo against Iran. An official of the ministry, Georgiy Kaurov, said on Wednesday that last Sunday's [30 April] announcement by Bill Clinton about the United States halting all economic ties with Iran will not influence Moscow's decision on the sale of light water reactors to Iran. He stressed that the deal could not have been concluded if Iran's desire to develop its own nuclear weapons had been in any doubt.

Russia Determined to Complete Iran Nuclear Plant

LD0405115695 Moscow INTERFAX in English 1039 GMT 4 May 95

[FBIS Transcribed Text] MOSCOW, May 4 (INTERFAX)—Russia will produce an official feasibility study of the unfinished nuclear power plant in the Iranian city of Bushehr in September. Experts of the Zarubezhatomenergostroy production amalgamation, Russia's leading company specializing in the construction and servicing of nuclear power plants abroad, are completing the analysis of the project, Zarubezhatomenergostroy representative Yuriy Perekryostov told INTERFAX.

He said, however, that no preparatory work is run in Bushehr. The final decision is to be taken after the talks between the Russian and American presidents in Moscow this month.

He said that in accordance with preliminary estimates, the Bushehr nuclear power plant can be easily repaired and no problems will arise in finishing its construction.

Perekryostov also said that "minor difficulties may arise in replacing individual parts of the equipment which were damaged after the Siemens concern terminated the construction of the nuclear power plant in 1979 by decision of the German Government." These are purely technical problems, said Perekryostov, which can be easily tackled by Russia specialists. The $800 million contract for finishing the construction of the 1,880 megawatt nuclear power plant in Bushehr was concluded at the beginning of 1995.

Russia attaches special importance to the partially unfit reactor and turbine, built by the Siemens company. A preliminary agreement has been reached on the supply of a new turbine by the Ukrainian Turboatom amalgamation (Kharkov), whose products meet the parameters of the power plant's foundation. The reactor will be produced in Russia, either by the Izhorskiy Zavod or Atommash.

Loborev: Iran Reactor Waste Not Weapons-Grade

LD0405064395 Moscow ITAR-TASS in English 0635 GMT 4 May 95

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, April 4 (ITAR-TASS)—The Russian system for the utilisation of the reactor fuel cannot facilitate the creation of nuclear weapons by Iran, according to Vladimir Loborev, a member of the Russian Academy of natural sciences.

Loborev said in an exclusive interview with ITAR-TASS today that the waste from the light-water reactors which Russia intends to deliver to Iran under a contract signed between the two countries can be reprocessed in order to extract components which have nothing in common with the weapons-grade fissile materials.

Asked whether Iran was likely to be able to modernise the Russian nuclear-waste processing system in order to obtain fissile materials, Vladimir Loborev said the possibility was ruled out for a number of reasons. One of them was the complexity of scientific calculations and engineering solutions, as well as the cost and time required to carry out the above work. The world knows no such practice, Loborev said. As a result, the Russian waste-utilisation system can pose no threat either to the United States or to any other country.

According to Georgiy Kaurov, an official of the Russian Ministry of atomic energy, the Russian-Iranian contract for the delivery of nuclear-power equipment provides for the processing of nuclear waste exclusively by Russian enterprises. Iran will receive for burying on its territory only glass-encapsulated substances which cannot be used in manufacturing a nuclear bomb. "This cannot be

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imagined even if one has a very rich power of imagination," Kaurov told ITAR-TASS.

Ministry Surprised by 'Fuss' Over Iran Contract

LD0305185495 Moscow ITAR-TASS in English 1747 GMT 3 May 95

[By Anna Bakina]

[FBIS Transcribed Text] MOSCOW, May 3 (ITAR-TASS)—The Russian Ministry of Nuclear Power Engineering expressed "surprise" at the fuss around the Russian-Iranian contract to build a nuclear power plant in Bushehr, Iran.

In a statement issued on Wednesday, the ministry said that the West knew about the plant back in 1993 and that the present campaign against the project has been timed to coincide with the "conference that will decide the fate of the Non-Proliferation Treaty" (NPT).

The ministry recalled that Article 4 of the NPT rules out any discrimination against the member-countries which scrupulously meet its requirements and which have placed their activities under the safeguards of the International Atomic Energy Agency (IAEA). It also pointed out that Iran jointed the IAEA in 1973 and was one of the first countries to have signed the NPT.

The statement said that "the proliferation of nuclear weapons can be avoided by strengthening the nuclear non-proliferation regime and improving IAEA inspection procedures. Russia has repeatedly called for cooperation with the United States in this sphere within the framework of a joint conversion project."

Isolation of countries from cooperation in the sphere of civilian nuclear technologies "is an impasse fomenting hatred, and leading to the spread of nuclear weapons and terrorism," the statement said.

The ministry told ITAR-TASS that Iran has two research nuclear reactors and a number of nuclear facilities built by Western countries which are serviced by personnel trained in the United States and western Europe.

The research reactors are used to produce various isotopes for medicine, research and industry. In addition, German and French companies launch two projects in the 1970's to build two nuclear power plants in Bushehr and Karun, but then canceled them. In 1993, Iran requested assistance to finish the nuclear power station in Bushehr.

After the German side refused to participate in the project Russia signed an about 800 million U.S. dollar contract with Iran to finish the construction of the first nuclear reactor in Bushehr. The contract specifies that this will be a light-water reactor with a capacity of about 1,000 Mwatt.

The project will be submitted to the IAEA pursuant to the standing rules.

Iran Embargo Could Spark 'Military-Political Crisis'

MM0405094495 Moscow PRAVDA in Russian 4 May 95 p 3

[Article by Vladimir Belyakov: "Out of Step With Washington"]

[FBIS Translated Text] Cairo—President Bill Clinton has announced that the United States has introduced a complete embargo on trade and economic links with Iran. To justify this decision Secretary of State Christopher claims that Iran is the "main source of state terrorism," an "outlaw state."

The United States and Iran fell out after the Islamic Revolution of 1979. The United States' powerful positions in that country under the shah were undermined. Tehran's policy is anti-imperialist in nature. That is the origin of Washington's hostility toward the Iranian regime. But this hostility is also being fostered by the Israeli lobby. The point is that the Iranians back the Palestinian and Lebanese Islamic organizations which are waging a vigorous campaign against the Israeli occupation. It is this campaign that the Americans call "terrorism." Such arbitrary use of this term distorts everything and vindicates the Israeli invaders. Not for nothing was Israel the only state to overtly approve the United States' anti-Iran move.

Apart from "Iranian terrorism" the United States and Israel have another favorite tune—"Iran's nuclear arms." The Iranians' decision to buy nuclear technology from Russia and China to meet their economic requirements was the reason for this. Washington and Tel Aviv claim in unison that Tehran intends to get its own nuclear bomb. And neither Russia's explanations that this technology cannot be used for military purposes nor international supervision of the Iranian nuclear program, not to mention the denials of the Iranian leadership itself, have made the slightest impression on the United States and Israel. Incidentally, unlike Iran Israel has not signed the Nuclear Nonproliferation Treaty.

The U.S. decision was viewed with some concern in Tehran. Not because of its possible effect, since that will be minimal. The Iranian Foreign Ministry has said that it is primarily U.S. companies, who will be replaced by others, that will suffer from the boycott. But the Iranians realize that the introduction of the embargo is a step toward an escalation in U.S. hostility, which may not just be confined to a ban on trade and investment. The United States has a powerful military strike force in the Gulf area, which can be put into action at any minute. Mohsen Reza'i, commander of the forces of the Islamic Revolutionary Guards, said during a meeting with top officers that the United States is preparing for war against Iran.

Be that as it may, the situation around Iran has dangerously deteriorated with the introduction of the U.S.

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embargo. The world may have another acute military-political crisis—just because someone is once again out of step with Washington.

U.S. To Use 'Any Means' To Stop Iran Deal

MM0405101895 Moscow TRUD in Russian 4 May 95 pp 1, 7

[Article by Vasarion Sisnev: "Playing the 'Iranian Card.' Washington's Response to Moscow's Nuclear Reactor Deal With Tehran"]

[FBIS Translated Text] Washington—It was in Washington that Foreign Minister Kozyrev said that Russia is prepared to discuss its relations with Iran but is not prepared to back out of the sale of nuclear reactors to it, to which a journalist asked what it would take to get Russia to abandon that project. Kozyrev was in a good mood and in reply joked: "$1.5 billion." That is approximately how much we are hoping to earn from this deal. However, the Americans are clearly in no mood for jokes on this question.

According to comments by White House and State Department officials, who have remained anonymous, it is not hard to imagine that at the forthcoming meeting with Yeltsin in Moscow President Clinton intends to set out his administration's position on the Iranian problem in fairly tough terms.

A month ago Clinton banned all U.S. firms from providing finance or even advice on the development of Iran's oil resources. Now, however, he has taken an even more radical step by breaking off all business contacts between the two countries, in other words he has declared a complete embargo on this "terrorist state." The justification for this is that after a six-month study of the situation experts have come to the conclusion that "the Iranians' conduct has not improved; on the contrary, some aspects of it have even worsened." According to the high-rankng official who made that comment, Iran sponsors organizations whose activities are directed against the very essence of the peace process which has begun in the Near East.

It should be added that the Republicans in Congress are going even further. They have proposed legislation which would deny foreign firms access to America if they deal with Iran and it is quite possible that this legislation will get through. Admittedly, at the moment the White House is opposing this, although the harm to the Iranian economy will be considerable anyway: Last year U.S. firms bought 20 percent of Iran's oil at a cost of around $4 billion for sale in other markets outside the United States. In addition to that revenue Tehran is also losing U.S. imports worth $326 million. Admittedly, the Commerce Department, the Treasury Department, and the Energy Department have expressed fears that the niche thus created will be filled by Japanese and European imports with the result that the Iranian economy will suffer less than the U.S. economy. The Pentagon adds that the isolation of Iran will merely intensify its radicalization.

But Clinton is in resolute mood toward a "nation which sponsors death in an attempt to wreck the peace process." And it seems that his resoluteness is dictated to a considerable extent, even if not entirely, by what he sees as the "casual" attitude taken by Yeltsin and Kozyrev, who are hoping to make billions while closing their eyes to the fact that there will be a nuclear Iran on Russia's doorstep. Speaking in New York on Sunday, Clinton said: "The United States has a vital interest in the struggle to prevent the proliferation of nuclear arms, and Russia, as Iran's neighbor, has a particular interest in the same thing. But if it goes ahead with the sale of nuclear reactors come what may it will be harming itself."

According to WASHINGTON TIMES commentator Moss, Iran stands out as the central theme in Clinton's talks with Yeltsin in Moscow and the former, who has played the "Iran card" even before the game has begun, wants to "strengthen his moral position which would enable him to demand certain economic sacrifices from the allies on the grounds that America has set an example by foregoing the billions that it could earn in Iran." In the corridors of power here they make no secret of the fact that Washington is prepared to use any means to bring about the cancellation of the Russian-Iranian nuclear reactor deal.

As he prepares for his trip, the president is bringing not only VE Day congratulations but also a range of diplomatic devices for achieving his aim. As though giving him its blessing for the battle in Moscow when the festive fireworks are over, a WASHINGTON POST leader advises him: "Many times we have avoided treading on President Yeltsin's toes. But on this occasion it is unavoidable. A Russia which sells nuclear technology to Iran is incompatible with a Russia which receives assistance from the United States. And Yeltsin should be made aware of that."

U.S. Domestic Considerations Seen Paramount

MM0405111295 Moscow KRASNAYA ZVEZDA in Russian 4 May 95 p 4

[Report by Vadim Markushin: "Attack Without Support From the Flanks"]

[FBIS Translated Text] The latest attack on Iran, made a few days ago by President Clinton, did not win support from the flanks as Washington would have liked. Its strategic allies both in Europe and Asia were unenthusiastic about it. Despite support "in principle" for the U.S. frontline of combating the "sponsor of terrorism," neither Japan nor the West Europeans want to burn their last bridges in Tehran.

It is not that hard to explain the U.S. partners' restraint. They see the toughening of sanctions, which now involves a complete ban on purchases of Iranian oil, less

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as consistency in combating Islamic fundamentalism than as a matter of domestic political considerations for the White House incumbent. What Clinton would probably like least of all now is to lose the loyalty of the champions of "firmness" both in suppressing the ambitions of a former satellite and in putting pressure on Moscow, which is still calmly establishing business ties with its southern neighbor. The skepticism shown by Washington's allies, moreover, is based on their realization of the ineffectiveness of the oil embargo. Since ultimately what usually happens is that the oil is exported nonetheless and reaches the places where there is most talk of a boycott.

In the United States itself, incidentally, there is awareness not only of these but also of a more important expedient element in the whole saga involving Iran. Namely head-on attacks on this country will result in the loss of political capital and the weakening of influence among that section of the Islamic Republic's ruling circles which one is accustomed to call the pragmatists. At the same time the angle of incidence in this case is also equivalent to the angle of reflection. That is anti-Americanism in the Iranian public consciousness may grow even stronger, thus strengthening those who uphold the traditional tough line.

Republicans Seen as 'Main Target' of Iran Embargo

MM0405113695 Moscow IZVESTIYA in Russian 4 May 95 p 3

[Report by Aleksandr Sychev: "Moscow Makes It More Pleasant for Washington Without Any Detriment to Itself"]

[FBIS Translated Text] U.S. President Bill Clinton has announced an intention to implement a full embargo on U.S. trade with Iran, which, according to the White House, is striving to make nuclear weapons and is spending hundreds of millions of dollars every year on supporting international terrorism. At the same time Washington announced Moscow's readiness to make concessions on the Iranian nuclear contract and not sell Tehran the gas centrifuges used for enriching fissionable materials.

The coincidence of these announcements in terms of time is no accident. All the indications are that the White House has an intricate game plan in which the "sensation" over the centrifuges is playing an auxiliary role.

The main target of the president's statement is the Republican majority in Congress, which has recently been intensifying its criticism of the administration for its apparent soft line in respect of the Iranian regime. According to rumors, the Republicans have been preparing a draft law envisaging the toughening of sanctions. The Democrat president has stolen his opponents' thunder.

It is hard to assess the internal political success of the move for the Clinton administration. According to Toby Roth, chairman of the House of Representatives international trade subcommittee, "we are shooting our own companies in the foot."

Although mutual hostility between the United States and Iran has existed since 1979, when a group of armed students seized the U.S. embassy in Tehran in a fit of revolutionary enthusiasm and held everyone inside hostage for 444 days, and Washington unilaterally introduced an embargo on economic ties with Tehran, trade between the two countries went on nevertheless, and very energetically. In the past few years, via mediators and affiliated companies, American entrepreneurs have bought in Iran and resold on the side up to one- third of the petroleum extracted there, earning around $4 billion on these transactions.

Washington's announcement did not meet with the necessary international understanding. Although it would seem that one of its aims—to demonstrate, during the conference on extending the Treaty on the Nonproliferation of Nuclear Weapons going on in New York, a tough stance in respect of countries which are hatching plans to form their own nuclear arsenals. Only Japan, for the strictly egoistic reason of gaining itself a respite in the dispute with Washington over the opening of the Japanese market to American goods, made haste to refuse Tehran a credit of $542 million. But Europe, for whom Iran is the main petroleum supplier, reacted to the United States' appeal without enthusiasm.

Against this background of the total negativity of its allies, the report about the Russian concession, which, as agencies are reporting, was successfully wrung out of Foreign Minister Andrey Kozyrev virtually on the tennis court, looks like a streak of brightness in a joyless landscape. Admittedly it did not prove possible to obtain confirmation in Moscow that this wringing act actually took place. The Russian Foreign Ministry only confirmed that Washington has repeatedly returned to the subject of Russia's construction of a nuclear power station in Iran.

But even if Moscow has made a concession, then it is evidently not a very big one. As IZVESTIYA was told by Atomic Energy Minister Viktor Mikhaylov, the mention of the gas centrifuge is contained in the treaty on the civilian use of atomic energy, talks on which have not yet ended. It speaks of the possibility of the unit being supplied in the distant future, when a nuclear industry has taken shape in Iran.

According to diplomats, Russia, having gotten involved in the construction of the nuclear electric power station, is operating in accordance with the Treaty on the Nonproliferation of Nuclear Weapons. Furthermore, all of Iran's atomic plants are open to inspectors from the International Atomic Energy Agency, who have even visited the enterprises indicated by the United States.

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IPR Issues To Figure in Clinton Talks

MM0305155595 Moscow IZVESTIYA in Russian 4 May 95 p 7

[Article by lawyer Larry Freedman (name as transliterated): "Clinton Will Talk With Yeltsin About Pirates. Including Those From the Culture Ministry"]

[FBIS Translated Text] New York—The constant piracy on Russian territory in relation to U.S. computer programs, movies, sound recording, books, and so on is evidently going to be one of the unpleasant topics Presidents Yeltsin and Clinton will address during the May meeting in Moscow.

This matter should be discussed in greater detail in June between Vice President Gore and premier Chernomyrdin. All the aforementioned products are produced by U.S. creative companies and are protected by copyright laws. The interests of the American creative industry are represented by the International Union for the Protection of Intellectual Property.

According to this organization's studies, recently submitted to the U.S. Government, in 1994 alone U.S. creative companies suffered losses of around $805 million as a result of acts of piracy in the Russian Federation. Nearly all contemporary U.S. movies are shown in Russia illegally. One of the most sinister manifestations of piracy is the public showing of movies and programs protected by copyright on Russian television. For example, the Moscow cable television system alone shows U.S. movies to its 6 million viewers without any permission from the companies that produce them. As a result, according to the most conservative estimates, in 1994 the U.S. movie industry lost $145 million in the Russian Federation.

As for sound recordings, 85 percent of the compact disks and cassettes containing American music and sold in big Russian cities are made by pirate organizations. In the provinces this figure is as much as 95 percent. Some of these products come from countries like China and Bulgaria. But local producers are not lagging behind the foreigners. One Moscow plant of the "Gramzapis" firm, which is controlled by the Russian Culture Ministry, alone produces, according to the Union's data, of the order of 2 million pirate disks per year. U.S. companies' total losses in 1994 as a result of the sale of illegal copies of U.S. music in Russia were nearly $300 million. Considering the rapid spread of computers, it is the market in pirated copies of computer programs that is perhaps most worrying. This applies to nearly 98 percent of them in the Russian Federation. It means that only one out of every 50 copies of U.S. programs is legal. So U.S. computer companies' losses last year reached the record level of $310 million.

The pirates are also destroying their own computer business. Who is going to invest in the development of Russian-made programs when you can get pirate copies of well-known foreign ones for a song?

The U.S. creative industry is too large a sector of the economy for the Clinton administration to be able to disregard its interests both within the country and abroad. According to the International Union's data, its contribution to the U.S.economy in 1993 was around $362 billion, or 5.7 percent of the country's GDP. At the same time, something like 5.7 million people, or 4.8 percent of the country's workforce, were employed in the creative industry. The leading U.S. creative companies alone exported products worth $45.8 billion in 1993, which is a 14 percent increase on the previous year.

At the upcoming meetings the Americans, when they talk, will be inspired by their recent success in the duel with Chinese pirate organizations.

The U.S. Government is finding it harder and harder to keep quiet on the subject of the explosive problem of Russian piracy. There are louder and louder calls in Washington for the suspension of concessions as part of the general system of preferences for the Russian Federation. Yet it is these concessions that enabled Russian businessmen to export goods worth $274.8 million to the United States in the first 10 months of 1994 alone, without paying any duty. The suspension of these advantages alone would lead to multimillion losses for the Russian economy.

In March this year Russia subscribed to the Bern convention on the protection of copyright and the Geneva convention on sound recordings. This should enhance the protection of foreigners' copyright in the Federation. But to make laws relating to intellectual property really effective further changes are required in the country's legislation. Is it not time Russia regarded large-scale commercial piracy as a crime?

Dudayev Attitude Seen Playing Into Clinton's Hands

MK0405084395 Moscow SEGODNYA in Russian 4 May 95 p 1

[Report by Pavel Felgengauer: "Dzhokhar Dudayev Helps Bill Clinton"]

[FBIS Translated Text] An announced moratorium on hostilities in Chechnya has yielded nothing, as have all the previous cease-fire agreements. In this particular case, however, there was not even an agreement to talk about—the moratorium was imposed unilaterally. President Yeltsin even signed a special edict, apparently in the belief that an edict would make it look more solid, you know. But for the fighting to stop it obviously takes an agreement by both sides.

In present-day Chechnya no one except civilians is seriously interested in a lengthy cease-fire. Field commanders of the federal troops think the enemy should not be given a single breather, during which it could rest, consolidate its positions, and move up reinforcements. The Federal Security Service [FSB] hoped, however, that announcing the moratorium could lure Aslan

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Maskhadov, Chechen chief of staff, into talks, splitting him from Dudayev and in the final analysis pressuring him and the forces loyal to him to stop the "unreasonable resistance."

A meeting between Aslan Maskhadov and General Gennadiy Troshev, commander of the new 58th Army, who is due to become the top army commander on Chechen territory starting 1 June, did take place at the village of Novyye Atagi south of Groznyy the other day. The results of the meeting were disappointing, however: Maskhadov once again demanded that Russian troops be withdrawn from Chechnya as the fundamental condition for a truce. Either the Chechen chief of staff really plans to fight to the bitter end, or he does not have the freedom to make decisions that Moscow strategists expected him to enjoy.

An unconditional and ignominious troop pullout would, of course, be absolutely unacceptable to those who committed a poorly-trained army into action in mid-December, so the federal authorities have only one way out—to go on fighting, of course, without giving up attempts to find more pliable partners among the Chechen commanders. For this purpose, FSB Director Sergey Stepashin and Defense Minister Pavel Grachev are reportedly going to visit the conflict zone once again in search of peaceful Chechen field commanders.

Many people think, however, that the moratorium is designed to pacify Western leaders due to arrive in Moscow for the 9 May festivities, not the Chechens. At any rate, Chechen leaders have perceived Viktor Chernomyrdin's peace admonitions precisely this way; hence, they have tried to step up combat operations in response in order to prove to the West by deeds that they have not yet been crushed, while there is still no peace in Chechnya, even on the horizon.

Military sources and FSB operational officers have long been saying that enemy fighters are returning to Groznyy together with refugees. Now combat groups that have infiltrated the city have been ordered to dig out arms hidden during their February retreat and to start active operations. (Evidently, Dudayev and his allies hope that continuing hostilities in Groznyy will prod Bill Clinton to pressure his "friend Boris" and, as a result, Moscow will have to start talks directly with President Dudayev, so that he will manage to end a war that has already been lost on the battlefield in "a draw" at the negotiating table.)

Dudayev is right, of course: Pressure will be exerted. But the result will probably disappoint the Chechens. Washington is interested in concessions on NATO's expansion and on the Iranian reactors problem in the first place, while concessions on Chechnya in particular would be the most painful and unacceptable ones for Moscow. Possibly, Bill Clinton will clinch—with Dudayev's help—certain concessions in the talks in order to return home and declare the summit a success, but the Chechens will have to continue fighting with the Russian Army on their own. They will certainly not be admitted into NATO.

Kovalev Addresses Russia Policy Hearings

MM0405093295 Moscow IZVESTIYA in Russian 4 May 95 p 4

[Report by Vladimir Nadein: "Sergey Kovalev—to U.S. Congress: Chechen War Has Hardened Our Society"]

[FBIS Translated Text] Washington—Stanislav Govorukhin was not in the hall, and there was no one to reject Sergey Adamovich Kovalev's words: "I have just returned from the Chechen village of Samashki, where during...a punitive expedition, over 100 of its inhabitants were killed and many houses were burned to the ground."

There was a also a cutting from the British THE SUNDAY TIMES entitled "Carnage in Samashki" lying on the desks of the U.S. Congress members. The author of the article describes the atrocities committed by the drunken, drugged soldiers who invaded the village. There were 3,000 armed men against the defenseless civilian population. "No one knows for sure how many people died during the assault on Samashki by the Russians, but staffers of foreign missions who have provided humanitarian aid here believe that around 250 people were killed. Without a doubt, this was one of bloodiest chapters in the cruel civil war unleashed by Boris Yeltsin last December."

Sergey Kovalev, who was invited to participate in the hearings of the U.S. parliamentary commission for security and cooperation in Europe, went there without hesitation or pang of conscience. His attitude to the great power idea is one of open contempt. For him human rights come first. He has achieved this the hard way, he has become convinced that this approach is unfailingly correct, and does not intend to spare the feelings of politicians at any level when human rights are being violated.

Although there were observers from the Russian embassy in the auditorium, no one tried to counter S.A. Kovalev's stance with other evidence. The witnesses at the hearing in question also included Ye. Bonner, the widow of Academician A. Sakharov, and the journalist Yevgeniya Albats, who was in Chechnya with Sergey Adamovich during the period of hostilities and wrote reports for IZVESTIYA from there.

Hearings in the Congress do not usually generate immediate results. Their role is at first sight profoundly subsidiary, and far removed from concrete decisions. However, it is dangerous to underestimate such hearings. Facts recorded in the minutes are considered established, and they can be cited with confidence during the preparation of laws.

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All the speakers called on Congress to put pressure on the Russian authorities over the observance of human rights. Everyone said that the previous policy, embodied in the words "Excellent, friend Boris—excellent, friend Bill," had exhausted itself. "I realize how complex and difficult it is to elaborate a new policy with respect to Russia, a policy which is free of both exaltation and hostility, is balanced and reasonable, and differentiates between national interests and national egotism," Sergey Kovalev said at the hearings. "Only a selective and precisely targeted combination of support and pressure can held transform the Russian state from its historical role of the bane of the Russian people into a guarantee of prosperity and security, from a constant threat to neighboring countries into a reliable equal partner."

Sergey Kovalev arrived in the United States at the same time as three high-ranking delegations. The three "special airplanes" landed not at an ordinary airport but on a runway at the Andrews Air Force Base near Washington, bringing Andrey Kozyrev, Anatoliy Chubays, and Ivan Rybkin here one after the other—each with an entourage of ministers, retinue, and henchmen.

Only Sergey Kovalev arrived on an ordinary flight and in an ordinary seat.

The irony is that the politicians from the special flights, surrounded by retinues, received amiably and at a high level, are leaving with what they came with. Some of them are complaining about their lot, some are putting on a show of bravado as regards their successes, and others are putting forward demands, not entirely understanding whom they are talking to and what about.

Sergey Kovalev is trusted. Not because he says what people expect him to. "The West should not see Russia as a weak and dependent client, nor a foe, conquered in the cold war, but an equal and independent partner," Sergey Adamovich stated with majestic wisdom at the headings in the Congress. "Elaborating its Russian policy, the West, and notably the United States, should not assume that a weak and isolated Russia will be to their advantage. This would be an extremely dangerous delusion. A weak and isolated Russia would become a bomb capable of shaking the security system not only in Europe, but throughout the entire world in the not too distant future."

As though answering Russian Foreign Minister Andrey Kozyrev, who has for a long time made Yeltsin's opposition to Zhirinovskiy the main thesis in his defense, Sergey Adamovich said at the hearings: "Obviously President Yeltsin is by no means comparable to a President Zhirinovskiy. However, I do not really understand why this should mean that there is a need to support Yeltsin even when his actions are obviously the same as Zhirinovskiy's would be if he were elected. To be frank, I must say that in his attempts to imitate Zhirinovskiy and break with democracy, President Yeltsin has lost any realistic chances of reelection."

In an interview which Sergey Kovalev gave to your correspondent on the eve of the hearings in the Congress, he spoke with profound grief about the bitterness which the Chechen war has brought into Russian society. It has possibly even brought a certain solidarity. But it is a black, terrible solidarity based on hatred. Whereas at the very beginning of the hostilities many officers and men and even generals sincerely lamented that they were being pointlessly sent to kill their own citizens, a month later death and destruction have had their effect: On both sides of the conflict people have been blazing with hatred toward each other—to their own ruin, and to the joy of the rulers.

Rybkin Recounts Talks in Washington

MM0305163995 Moscow IZVESTIYA in Russian 4 May 95 p 2

[Report by Vladimir Nadein: "I. Rybkin Has Told Americans Everything He Thinks of Them and Has Left for Moscow Early"]

[FBIS Translated Text] Washington—"When Gorbachev signed his treaties with you we gnashed our teeth but we endured," State Duma Speaker I.P. Rybkin recounted his talk with U.S. Congress leaders. "But Gorbachev nonetheless signed the treaty. And we are observing it. Let the Americans keep their promises too."

This interview was given by the State Duma chairman on the eve of his departure for Moscow. It happened suddenly. Having left unfulfilled his promises to meet with U.S. Defense Secretary William Perry, with Tony Lake, the U.S. President's national security assistant, and also with several businessmen including those who had sponsored the visit, the speaker of the Russian parliament's lower chamber cut short his visit to the U.S. capital by one and one half days. That means that there was more important business at home.

The aircraft carrying the State Duma chairman was the third special flight to land in the past two weeks at the U.S. Air Force Andrews Base near Washington. First Vice Premier Anatoliy Chubays had fulfilled his program punctiliously, flying in and out on schedule. Foreign Minister Andrey Kozyrev had combined business with pleasure. Having met with his politician counterparts in the United Nations and the capital and read a lecture at the John Hopkins University he set off for Atlanta to take part in a scientific conference and receive a prize.

In Washington Kozyrev said that he would not join any election blocs other than the presidential bloc, which does not yet exist. Chubays agreed with the innovation but restricted his participation to "professional intervention" saying that the improvement of the country's economic situation is the best contribution to my party's victory.

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Rybkin defended the idea of the two main election blocs appointed by B. Yeltsin very sincerely and heatedly. He enthusiastically explained its subtleties to the Americans, who almost invented the bipartisan system themselves but have so far been unable to achieve a bipartisan system like ours.

At meetings with U.S. Congress leaders I. Rybkin made complaints connected with the U.S. side's failure to fulfill its commitments. "I told them that the treaty is worth more than money," the Duma speaker said in a talk with Russian correspondents. "Of itself the removal of nuclear forces from Ukraine, Belarus, and Kazakhstan is hard work. We have laid up the nuclear submarines which could still be in service. The energy supply for entire cities must be turned off for the survival of reactors. We were promised new technology and financing. Well, $100 million is not that much money. If they had said from the outset they would not give it we would not have signed the treaty and we would have found sources long ago. All this is creating a psychological climate in the Russian parliament and in the country in general."

Indeed, not all I. Rybkin's arguments seemed persuasive to the Americans. Just as the Russian version of the bipartisan system does not get to them so the great mystery of the words "we gnashed our teeth but endured" remains unrevealed. In America they do not gnash their teeth but seek the relevant votes from their legislators.

I. Rybkin's alarm signals regarding the planned sale of two Russian nuclear reactors to Iran remained equally obscure. To judge by the speaker's words a repetition of the story of the Indian missiles is entirely likely in Moscow: It will suddenly emerge that the departments, that so and so, failed to consider something important and concealed something serious. On I. Rybkin's lips it sounded like this: "As for Tehran we should be cautious. I was talking with Vice President Albert Gore: You see how difficult it is to have a conference on nuclear nonproliferation. For many years you trained nuclear physicists for Iran. Then times changed. You supplied a light hydrogen reactor to North Korea, to the DPRK. By analogy we decided to supply Iran with the same. And there were no problems. The International Atomic Energy Agency gave a feasibility study. And suddenly we now learn the details from you in a talk and find out in addition that through the Ministry of Nuclear Power equipment is coming which could be used to acquire full nuclear technology and possess nuclear weapons.... Well, probably something should have been said a little earlier. Perhaps we were not adequately informed. But now the Russian premier and president will be informed of the new circumstances. We will obviously make the relevant decision."

Ivan Rybkin's special aircraft set off for home late on Tuesday evening but a considerable proportion of the delegation decided to earn their expenses in full. "The leaders of the Duma committees who came with me have their own plans," the speaker explained in an interview with your correspondent.

Rybkin Interviewed on U.S. Visit, Iran Deal

LD0305203795 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 3 May 95

[From the "Vremya" newscast; passages within quotation marks are recorded]

[FBIS Translated Text] [Correspondent Sergey Goryachev] State Duma Chairman Ivan Rybkin has completed his working visit to the United States a day earlier than planned. But, as our correspondent reports, all the talks planned in Washington, including with the new leadership of the American Congress, took place.

[Rybkin] "If you will allow me to use a proverb—an old, German proverb—Ein Mann, ein wort. I did what I said I would. A man is his word."

[Goryachev] Ivan Rybkin criticized the American Government over the fact that, according to him, it is not fulfilling its commitments regarding support for Russia. The question was raised in Congress at a meeting with the Republican leader, Newt Gingrich. Gingrich himself several times called for an end to all help to Russia because of events in Chechnya. On the one hand, paying homage to the fallen, which is particularly significant during these spring days, is mutually acknowledgment of the fact that much can be done and already has been done together. The differences would seem insoluble. These include Russian nuclear reactors, Iran, and the U.S. desire at all costs to prevent the fulfillment of the treaty. Ivan Rybkin is in favor of the sale of the reactors.

[Rybkin] "But when people give me here new information that, say, our Atomic Energy Ministry, is tagging onto this treaty and trying to sell something more—this information has not been verified for me. I said this information will, of course, be verified by the government and the president, and then we can make our conclusions. But clearly, at the meeting between the presidents, much will be said on this matter."

[Goryachev] Press reports on plans to deliver to Iran not only reactors but also gas centrifuges for uranium enrichment caused indignation in Washington. Russia has not started talking tough yet, but U.S. State Secretary Warren Christopher described Iran as an unlawful state. However, if the U.S. trade boycott on Iran turns out to be ineffective—and this has not been ruled out; the reaction of its NATO allies has so far been cool, and this is already happening—then the United States is backing itself into a corner. Clinton's position at the meeting with Yeltsin in Moscow will, it would appear, not be as strong as it might have been a few days ago.

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Further on Results of Gore-Chernomyrdin Session

LD0305190095 Moscow INTERFAX in English 1542 GMT 3 May 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] Russia is interested in fair trade with the United States, a government aide for international affairs told INTERFAX at the end of a series of meetings in Washington aimed to clear the ground for the next session by the Gore-Chernomyrdin committee.

Mikhail Tarasov said the announcement caused near-shock in Washington because of traditionally preponderant U.S. exports to Russia.

He said trade barriers were being put up in the way of Russian exports to the United States which has far failed to recognize Russia as a country with a transient economy.

Tarasov said Moscow now wants to put bilateral trade on an equal footing adding he called on U.S. Vice President Al Gore for fair trading practices between the two countries.

He said agreements reached in Washington could help reshape the commission's work now that the Americans had agreed to shift away from "sectoral questions" to wider economic issues including trade and investment.

Yeltsin Comments on Escalated Fighting in Croatia

LD0305164495 Moscow INTERFAX in English 1608 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (INTERFAX)—Russian President Boris Yeltsin fully shares the opinion voiced by the Russian Foreign Ministry on the escalation of combat operations on territory of the former Yugoslavia, presidential press secretary Sergey Medvedev told INTERFAX today.

He stressed on Yeltsin's behalf that "hostilities in Croatia must be immediately stopped and the troops must return to the initial positions in accordance with the cease-fire agreement of March 29, 1994."

In the words of Medvedev, in this situation "Russia will work at the Security Council to achieve all measures necessary for the restoration of peace in Croatia."

He stressed that the statement of the Russian Foreign Ministry testifies to the "invariability of the Russian stand on the regional conflict: peace can be restored only through negotiations, and escalation of tension is fraught with a new war on territory of the former Yugoslavia."

Foreign Ministry Welcomes Croatia Cease-Fire

LD0405135495 Moscow INTERFAX in English 1249 GMT 4 May 95

[FBIS Transcribed Text] Moscow, May 4 (Interfax)—Russia welcomes a UN-sponsored ceasefire between Croatia and Serb Krajina providing for an end to hostilities in western Slavonija and elsewhere in Croatia, a foreign ministry spokesman told a news briefing in Moscow on Thursday.

Grigoriy Karasin said the UN Security Council's swift reaction help avert a possible spread of large scale fighting along the disengagement line in Croatia.

He spoke of Moscow's call on all warring sides for an early normalization, security guarantees, civil rights and freedom of movement in the region.

Ivanov, Pickering Discuss Croatia Situation

LD0305165195 Moscow INTERFAX in English 1538 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (INTERFAX)—On Tuesday evening Russia's First Deputy Foreign Minister Igor Ivanov and the U.S. Ambassador to Russia Thomas Pickering met in Moscow to discuss the escalation of hostilities in Croatia, a high-ranking Foreign Ministry officer told INTERFAX Wednesday.

Ivanov and Pickering shared views on the latest developments and agreed that "no one wants the Balkan wildfire to flare up with renewed force," the diplomat said.

Moscow calls for an immediate end to the hostilities in Croatia and urges the conflicting forces to return to the positions they manned before May 1. "Unfortunately, the Foreign Ministry source said, not a single member of the UN Security Council, not necessarily permanent, supported its call."

In the source's view, decisive developments will take place at the UN headquarters rather than in the Serb-Croatian theater of operations, and "it is essential that the conflicting parties control their moves and refrain from new or response moves that could blast the status quo." [illegible]aid.

The [illegible]e feared "a spillover of the Croatian developments to neighboring Bosnia-Herzegovina." He quoted Bosnian Serb leader Radovan Karadzic as saying that the Krajina Serbs will not be left to their own devices.

The Foreign Ministry officer sees Belgrade's position as "balanced." Belgrade condemned both moves by the Zagreb government and the missile attack on the Croatian capital, carried out by the Krajina Serbs. "Owing to a number of reasons," the Russian diplomat said, "the United Republic of Yugoslavia can hardly be expected to join the ongoing conflict."

Russia Counting on Milosevic's 'Pragmatism' To Halt War

MM0305155395 Moscow IZVESTIYA in Russian 4 May 95 p 1

[Report by Leonid Mlechin: "On the Eve of the Celebrations of the 50th Anniversary of Victory, Croatia Jeopardizes Peace in Europe"]

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[FBIS Translated Excerpt] The attack by the Croatian Army on Serb positions has generated a shock in Europe: Has a large-scale new war started on the eve of the celebrations of the 50th anniversary of Victory?

The operation by the Croatian Army against the Serbs who, following the 1991 war, created their own Republic of Serb Krajina (not recognized by anyone), came as a surprise to the world community for some reason. But after all, Croat politicians have long been warning that either the United Nations and the great powers will force the Krajina Serbs to return to Zagreb's power or the Croats would regain by the force the territories they lost in 1991.

The United Nations could do practically nothing, as the Krajina Serbs do not want to live under the authority of the Croats, and the Croats cannot reconcile themselves with losing 23 percent of their territory, which was taken by the Serbs. Now the Croats are happy—they have started reclaiming the territories of which they had been robbed during the 1991 war [passage omitted]

It is clear why the Croats decided not to start military operations last year but decided to do so this year.

Russia's military operation in Chechnya and the punitive action by Turkish troops against the Kurds on Iraq's territory have shown the Croats that there is no need to fear any reaction by the world community. Force clearly prevails over diplomacy. [passage omitted]

The main question is, will this action turn out to be the prelude to a large-scale Balkan war?

Maybe not, all the same. [passage omitted]

According to colleagues from the RIA NOVOSTI correspondents' office in Belgrade, Serb President Slobodan Milosevic has taken a very restrained position. If Serbia does not get involved in this conflict, then possibly the UN Security Council will lift sanctions against Serbia more quickly, which would bring about an improvement in the country's economic situation.

Russian diplomats are counting most of all on the sang-froid and pragmatism of President Milosevic. The great powers have put into motion all levers to restrain the opposing sides from continuing hostilities.

Only One 'Russian-Speaker' Wounded in Zagreb

LD0305153195 Moscow ITAR-TASS in English 1503 GMT 3 May 95

[By Andrey Naryshkin]

[FBIS Transcribed Text] ZAGREB, May 3 (ITAR-TASS)—As luck would have it, the Croat official sources which reported that 20 Russians had been wounded in a rocket attack on Zagreb today were misled, as an ITAR-TASS correspondent found out during his visit to the hospital located in Vinohradska street in the Croat capital where the injured people had been taken.

The only Russian-speaking patient in that hospital was Andrey Barbanov from Chisinau, Moldova. He is a member of an international company involved in the Donau Ballet project.

His injuries are light, and the smiling Andrey asked the ITAR-TASS reporter to let his relatives in Chisinau and Moscow know that he would be out of hospital before nightfall on Wednesday.

The mix-up in the original report was due to the fact that the authorities had been told about many former Soviet, Polish and Romanian citizens in the company. When a rocket fell through the skylight into a rehearsal room of the Croat popular theatre where the company were rehearsing, some twenty people were injured by pellets spread around by the rocket's warhead and glass splinters from the skylight, but only one Russian-speaker was hurt, and none of the injuries was very serious.

Japan Visit '95%' Success Despite Kurils Dispute

MM0305141795 Moscow KOMMERSANT-DAILY in Russian 3 May 95 p 4

[Report by Valeriya Sycheva: "Ivan Rybkin's Visit to Japan. Disputed Islands Rated at 5 Percent"]

[FBIS Translated Text] "The Russo-Japanese peace treaty is 95 percent ready,"—with that sensational statement Ivan Rybkin, speaker of the Russian parliament, summed up the State Duma delegation's visit to the Land of the Rising Sun which ended Sunday. But not even optimists have noted any signs of progress toward the solution of the main problem in relations between Moscow and Tokyo—the ownership of the South Kuril island chain. Clearly, the head of the Duma regarded the accord between the cooperation committees of the Duma and the Japanese parliament as virtually a full guarantee of the normalization of relations.

The territorial question was raised at talks with Premier Tomiichi Murayama and Foreign Minister Yohei Kono and with Takako Doi and Bunbei Hara, speakers [of the House of Representatives and House of Councillors respectively]. But the sides did not go beyond statements on the need to resolve the problem in the spirit of the 1993 Tokyo Declaration. This fact did not trouble the speaker, who expressed complete satisfaction at the "friendly and constructive" talks. Now, in his opinion, it is a matter of sorting out the details—settling the "remaining 5 percent." As for the Japanese mass media, their assessment of the "level of constructiveness" of the talks was low. Tokyo has again hinted that the problem of the islands is an obstacle to both the conclusion of peace and to wide-ranging economic cooperation.

If the accuracy of the speaker's mathematics is questionable, it is clear that the visit has laid the foundation for the normalization of parliamentary interaction between Russia and Japan (ties between the two countries' supreme legislative bodies have stalled until now). The

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Russian parliamentarians (including State Duma committee chairmen Sergey Burkov, Vladimir Gusev, Mikhail Zadornov, Vladimir Lukin, and Sergey Yushenkov) met with their Japanese counterparts and the leadership of the Japanese federation of economic organizations. Discussions centered on some quite specific Russo-Japanese cooperation projects (including the exploration of the oil and gas deposits on the Sakhalin island shelf and the modernization of the port of Vanino and economic installations in Blagoveshchensk). After emphasizing that the recently adopted Russian Civil Code provides a solid legal foundation for joint ventures, Rybkin guaranteed the latter the Duma's "green light" in the future too. Specifically he gave an assurance that in May a law on the division of output will be adopted: Such a law is essential for the implementation of the "project of the century"—the development of the Sakhalin oil and gas deposits by a Russo-Japanese-U.S. consortium.

The new "Japanese" dimension in the Duma's practical activities deserves special attention: The most varied statements about Tokyo's territorial claims have been expressed from the Duma platform. It is possible that as parliamentary ties develop a number of Russian legislators will also produce a more balanced approach to the solution of the island problem. That "95 percent" is not going to diminish much even as the vivid impressions of the extremely hospitable reception given to the Duma members in Japan fade, unless, of course, the "die-hard patriots" wreck everything.

'Certain Progress' in Drafting Treaty With Japan

LD0405122995 Moscow ITAR-TASS in English 1117 GMT 4 May 95

[By Vladimir Solntsev]

[FBIS Transcribed Text] MOSCOW May 4 (ITAR-TASS)—A certain progress was reached in drafting the Russian-Japanese peace treaty, however, no agreement was ensured on the territorial dispute between the two countries, according to sources in the Russian Foreign Ministry and the Japanese Embassy in Moscow.

"Something was achieved in the course of serious negotiations and something was not", a high-ranking embassy official told Tass Thursday and added that "no agreement was reached on the solution of the territorial problem which is the most complicated issue".

Japan claims from Russia four South Kuril islands.

A high-ranking official of the Russian Foreign ministry confirmed that "in the process of painstaking work on drafting the peace treaty the two countries succeeded to arrive to a common approach to a number of problems, however, there are problems where solutions have not been found so far".

Russian State Duma speaker Ivan Rybkin said during his recent visit to Japan that the peace treaty had been agreed by 95 percent.

But the Japanese embassy official said he would not comment "by how many percent—95, 90, 30 or 20—the peace treaty has been agreed upon". "Such assessments depend on the point of view of the chairman of the State Duma", he said.

Russia Denies Bombing Afghanistan 3 May

LD0405102395 Moscow ITAR-TASS World Service in Russian 1004 GMT 4 May 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 4 May—Today the headquarters of the Russian Air Force denied the claims made by Kabul's official radio to the effect that the Russian aviation based in Tajikistan conducted missile and bomb strikes against a locality in the Afghan Province of Takhar on 3 May. An ITAR-TASS correspondent was told on 3 May at the press center of the Russian Air Force that not a single sRussian aircraft took off in Tajikistan. The general on duty at the Russian air force central command post confirmed the press center's information. He said that on Wednesday, 3 May, Russian aircraft did not conduct any flights.

Dubinin: No Territorial Claims on Ukraine

LD0405114895 Moscow INTERFAX in English 1113 GMT 4 May 95

[FBIS Transcribed Text] MOSCOW, May 4 (INTERFAX)—"Russia is laying no territorial claims on Ukraine. We are guided by this principle during the talks on the division of the Black Sea Fleet," Russia's special envoy, Deputy Foreign Minister Yuriy Dubinin told INTERFAX.

He said that at the request of Ukraine Russia had agreed to enlarge the treaty of friendship with Ukraine with a provision which documents respect for each other's territorial integrity, but confirms the principle of the inviolability of the borders.

Speaking about the Black Sea Fleet, Dubinin said that "Russia insists on the principle of separate basing of the Russian and Ukrainian fleets." "We are convinced that the Russian Black Sea fleet must be based in Sevastopol. Moreover, division must not inflict any damage on the Black Sea Fleet as a major military formation," he said.

He admitted that the terms of the Russian Black Sea fleet's presence in Ukraine are still to be negotiated.

Canadian Premier Interviewed Prior to Visit On Relations With Russia

LD0405090995 Moscow ITAR-TASS in English 0848 GMT 4 May 95

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA, May 4 (Itar-Tass)—"Following four decades of the Cold War, global

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changes that led to the disintegration of the Soviet Union and the emergence of the Russian Federation as an independent state have had an important effect on Canadian-Russian relations as well," Canadian Prime Minister Jean Chretien has told Itar-Tass.

In the interview, given in connection with his forthcoming trip to Moscow to attend the celebrations of the 50th anniversary of the Second World War Victory in Europe, the Canadian premier spoke on relations between the two countries.

"Nowadays we cooperate at the United Nations Organisation and in the Organisation for Security and Cooperation in Europe. Our units, which participate in the peacekeeping operations in the former Yugoslavia, stand side by side," he said.

"We closely cooperate in guarding our common asset in the North, which is promoted by the establishment of an Arctic Council. Our businessmen proceed from the immense opportunities opening up in such fields as bilateral trade and investments," the Premier said.

"We hope that a continuation of reforms and the improved climate for international business in Russia will enable our two countries to realise this potential," he pointed out.

Welcomes Yeltsin in G-7

LD0405085795 Moscow ITAR-TASS in English 0849 GMT 4 May 95

[By Nikolay Setunskiy]

[FBIS Transcribed Text] OTTAWA, May 4 (Itar-Tass)—"My partners for the Group of Seven (G7) and I associate great hopes with the participation of President Boris Yeltsin in the G7 summit in Halifax", Canadian Prime Minister Jean Chretien has told Itar-Tass in an interview given prior to his European tour, which began on Thursday and during which he will visit Moscow on May 8-10 and attend the activities marking the 50th anniversary of the Victory in Europe in the Second World War.

The Canadian premier intends to exchange views with the Russian President on preparations for the forthcoming G7 summit, due to be held in the Canadian city of Halifax on June 15-17.

This year Russia will play a much greater role at the G7 summit than at last year's one in Naples, M. Chretien pointed out. This is a logical reflection of the process of Russia's gradual integration into the international community, he said.

"We expect that President Yeltsin will make a considerable contribution to many spheres, such as, in particular, the discussion of global political problems, our efforts to deepen democratic and market reforms in Russia, and cooperation in the fight against international crime," the Canadian premier said.

Iraq's Refusal To Accept UN Plan Examined

MM0405104295 Moscow PRAVDA in Russian 4 May 95 p 3

[Article by Pavel Bogomolov: "Let Them Set Their Own House in Order"]

[FBIS Translated Text] London, along with Washington, viewed the Baghdad leadership's refusal to accept the UN plan to ease the food crisis in the blockaded Near East country with barely concealed despondency and even disappointment. As you know, the intention was to do this via the sale of $2 billion-worth of Iraqi oil over the next six months monitored by the international community.

Many people—Russians, French, and neutrals—worked on this initiative in the high-rise building on the East River. You would have thought that the wording was quite bland: The embargo against Iraq should not be lifted but some concessions must be made for foodstuffs and medicine.

However—just imagine—Baghdad responded with a determined "no!" The authors of the plan are unspeakably offended: That is the ingratitude of the Iraqi regime for you. But if you look into this matter, it is primarily the West that is to blame for the deadlock. The "troublemakers" who would have been allowed to earn $2 billion would actually have only received half that amount. Permit me to ask, where would the rest have gone?

Some $100 million would have gone to the UN inspectors monitoring the dismantling of the most deadly Iraqi arms. Why, on what grounds? After all, Baghdad has by no means requested their services.

The intention was to put another $300 million into the aid fund for Kurdish areas in northern Iraq. But, pardon me for saying so, that is a total paradox. Even a schoolboy knows that the West, unhappy with Saddam Husayn's ethnic policy in northern Iraq, has virtually cut off these provinces from the rest of Iraq. Not even a policeman can go there now, let alone a Baghdad Air Force plane.

Lastly, $600 million, under the plan being mourned by people on the Thames and the Potomac, was to have been seized to help the victims of the Gulf War that raged in 1990-1991. Well, it is OK to pay that. Ultimately Iraqi troops' invasion of tiny Kuwait did Baghdad no credit and it should definitely compensate the victims for the occupation. But would it not be better to do this amicably, by lifting the anti-Saddam blockade whereby money from full-scale exports of raw materials would probably be sufficient to compensate its afflicted neighbors and revive the Iraqi economy itself?

....Real life is not a game of chess: Even an enemy who has been prostrated in an unequal fight should not be driven into a corner, into a no-win situation. Gripped in

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the vise, he will become even more dangerous, intractable, and savage since all ways back are barred to him. You would have thought that all these were elementary truisms. But people in the West regrettably often forget them. And then are amazed when their opponent gives as good as he got. Just because he knows that he only has to consent to the present "humanitarian plan" temporarily and that will set a precedent for centuries to come.

People on the banks of the Tigris and the Euphrates have learned by heart that you must not take anything that the Western alliance says on trust—you will be sorry. It is also known who taught Baghdad this from their own bitter experience—Moscow. It was Moscow whom they persuaded back in 1991 to support "Desert Storm" and in return excluded it from the whole Near East peace process. Moscow was excluded in such a concerted, lightning fashion that nowadays the Kremlin is not allowed access to a single table where serious negotiations are under way on Palestine, the Maghreb, or any other part of the vast region where major dams, plants, and power stations were built with our assistance. Before the Gulf War we sold the Third World weapons worth $14 billion a year and now we barely get $1.3 billion. To make up for it the British have trebled their arms exports and the Americans have boosted theirs to $13.5 billion. Well then, was anti-Iraq solidarity with the West a cheap business for our "new thinkers" and "democrats"?

People in Baghdad argue that since they have wrapped a state like Russia around their finger, the Iraqis only have to waver for a minute and the same will happen to them too.

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Political Issues

Yeltsin Visits Poklonnaya Gora Memorial

LD0305190295 Moscow ITAR-TASS in English 1830 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (Itar-Tass)—Russian President Boris Yeltsin highly appraised the Poklonnaya Gora Memorial and the Great Patriotic War Museum (1941-45) he visited on Wednesday [3 May] and said the construction had been completed. Yeltsin will lead a ribbon-cutting ceremony on May 9 to mark the 50th anniversary of the end of the war.

"I have visited tens of countries and have seen a big variety of museums and memorial halls, but I have never seen anything like this. I believe there is nothing like this in the world. This is superb," Yeltsin said describing his impressions.

Accompanied by Moscow City Mayor Yuriy Luzhkov, the Russian President toured around the central monument of the Memorial—a bayonet-shaped obelisk with the statue of Nike, the Greek Goddess of Victory on the top. In the War Museum, Yeltsin made a stopover at the Hall of Glory and then at the Hall of Memory. Yeltsin and Luzhkov discussed the detail of the upcoming ceremony and set the sites where rostrums for its guests and participants would be located.

Yeltsin also visited the St. George Church, the first Orthodox church erected in Moscow since 1917. The church which has been built in honour of soldiers who laid down their lives in 1941-45 will be sanctified within the frames of May celebrations.

Then, the Russian President attended the ceremony of laying a foundation stone of a residential area to be constructed for war veterans. He suggested that the housing construction at a site of 50,000 square meters should be completed in a year instead of one year and a half, as was planned.

"I like the idea of building an excellent housing for veterans in close vicinity to the Memorial," he said. "This shows the city's great concern over the disabled and war participants. Social sphere is not forgotten, and this is most important."

Edict on President-Government Interaction Signed

LD0405101295 Moscow Radio Rossii Network in Russian 0900 GMT 4 May 95

[FBIS Translated Text] Boris Yeltsin signed an edict on insuring interaction between the president and the government. The head of state also sent his conclusions and remarks concerning the draft laws on increasing minimum pensions, on the order of compensation for material losses caused by delayed payment of wages and pensions, on state regulation of the production and sale of alcoholic beverages, and on support for youth associations to Duma Chairman Ivan Rybkin.

Federation Council Approves Bill on Elections

LD0405114295 Moscow ITAR-TASS World Service in Russian 1028 GMT 4 May 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 4 May—The Federation Council today approved the federal bill "On the elections of the president of the Russian Federation" during the second reading. The first wording of the bill, passed by the State Duma, was rejected by the upper chamber. As a result of the work carried out by a conciliation commission of both chambers, the State Duma took into account the majority of amendments and addenda proposed by the upper chamber.

Yelena Mizulina, deputy chairman of the Federation Council's Committee on Constitutional Legislation and Judicial and Legal Issues, said today that the remarks which had been rejected "are more of a political rather than legal nature." Therefore, the committee advised the chamber to approve the bill following the State Duma's adjustments to it. The Duma, for example, took into account proposals of the upper chamber relating to the procedure for setting the date of the elections of the Russian president and remarks on reducing the number of required signatures in support of a candidate nominated for the post of president. However, the Duma failed to back a proposal on the possibility of a candidate setting up his own election funds.

Chernomyrdin Urges Tighter Budgetary Controls

LD0405115195 Moscow INTERFAX in English 1110 GMT 4 May 95

[FBIS Transcribed Text] MOSCOW, May 4 (Interfax)—Russia's Prime Minister Viktor Chernomyrdin has demanded that all government members strictly observe the implementation of this year's budget.

Addressing Thursday's government session, he said he is dissatisfied with the fact that in the 1st quarter of this year the tax revenues made up only 88.6% of the estimates. The prime minister demanded that the Finance Ministry and the taxation services intensify their control over the implementation of the budget. The future of reforms in Russia depends on how this year's budgetary provisions are carried out, he pointed out. "This year we shall have no sources of financing except the ones stated in the budget," he stressed.

His criticism was prompted by a statement made by the Finance Minister Vladimir Panskov.

Panskov said that in the first three months of this year the revenues made up 103.3% of the planned ones for the first time in the past few years. The minister conceded however that this was gained thanks to the sources of non-recurrent nature, such as exports revenues and profits from the difference in the ruble rate. As for the revenues resulting from taxes, in the first quarter of this

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year they made up only 88.6% of the estimates. The overall arrears made up about 13 trillion rubles: 9.5 trillion failed to be received because the International Monetary Fund granted its stand-by credit worth 6.25 billion dollars with a delay.

The envisaged expenditure was financed by 82%, Panskov said. In the same period last year the envisaged expenditure was financed by 76%.

In the first quarter of this year budget deficit was 3.3% of the Gross National Product. As for 1995 as a whole, budget deficit must not exceed 5% of GNP. So, Panskov said, the results of the first quarter are quite in line with the budget parameters.

The finance minister said that the amount of funds that failed to be obtained from privatization is "catastrophic". In the first quarter the treasury received only 50 billion rubles as a result of privatization, while the budget provided for obtaining 8.8 trillion rubles in 1995 as a whole. Moreover, the allocations for agriculture reached two trillion rubles against one trillion indicated in the budget, Panskov said.

In the 2nd quarter conditions for implementing the budget will be somewhat better than in the 1st quarter, largely as a result of foreign trade, where all privileges were abolished, Panskov noted. Nevertheless he demanded that the loans to enterprises and territories be suspended, except for those cases which are mentioned in the bill on the federal budget.

The finance minister also called for freezing exports tariffs.

Chernomyrdin Relies on Public Support for Bloc

LD0305191595 Moscow INTERFAX in English 1542 GMT 3 May 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] The organizing committee of a new right-of-center movement led by Prime Minister Viktor Chernomyrdin meeting at a government retreat outside Moscow on Saturday decided to hold the movement's founding congress in the Russian capital on May 12.

Opening the session, Chernomyrdin said the December election would help lay down the groundwork of stability in the country but a new parliament should have no place for extremists.

However, the prime minister called for wider representation of all regions and ethnic groups in the new legislature which must have a comfortable pro-government majority leaving extremists on the far right and far left in minority.

Chernomyrdin accused those whom he called certain forces of trying to drive in a wedge between the president and his government emphasizing that Boris Yeltsin knew and approved the idea of forming a new election alliance.

He spoke of a wave of criticism of the founders of the new movement which is widely described by opposition members as a party of government.

Chernomyrdin is hopeful for public support of his centrist alliance in the coming poll.

He spoke of receiving a series of signals from different parts of the country of wanting to join his movement with many saying the idea was somewhat belated and should have been implemented a long time ago.

The prime minister spoke of widespread expectations of stability and a general change in the public mood in favor of normal life and respect for the country. He said it would be a big mistake to ignore these newly-emerging sentiments carrying a huge creative potential.

OF note: Apart from Chernomyrdin, the organizing committee includes First Deputy Premier Oleg Soskovets and Governor of Samara Region Konstantin Titov. Other members are First Deputy Premier Anatoliy Chubays and Vice Premier Sergey Shakhray, Government Chief of Staff Vladimir Babichev, Employment Minister Gennadiy Melikian, Communications Minister Vladimir Bulgak, Minister for Emergency Situations Sergey Shoygu and Railway Minister Gennadiy Fadeyev.

Industrial plants are represented by general directors of giant companies such as KamAZ, AvtoVAZ and ZIL truck and car manufacturers, Uralmashzavod, Magnitogorsk steel plant and others. The country's leading Gazprom company is represented by its President Rem Vyakhirev.

Russian autonomies and regions are represented by the presidents of Tatarstan, Bashkortostan, Kabardino-Balkaria and North Ossetia and governors of Astrakhan, Orenburg and Orlov regions.

Leaders of parliamentary groups Stability and New Regional Policy Alexey Leushkin and Vladimir Medvedeyev represent the Russian State Duma (lower house).

Among leading figures of culture taken on the committee are Lyudmila Zykina, Irina Arkhipova, Alexey Batalov, Vyacheslav Tikhonov and Aleksandr Kalyagin.

Leader of the Party of Russian Unity and Accord (PRES) Sergey Shakhray said his party would seek collective membership of the new election bloc which is aimed at removing the current instability, the main stumbling block in the way of economic reforms. He says the alliance will aim at that part of the electorate which remained passive during the 1993 poll swayed by more disgruntled citizens. Shakhrai believes the alliance can win up to 30 percent of the vote if there is a high turnout

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at the December election. He described as unrealistic any hope for half of the ballot.

In the meantime, Vice Speaker of the State Duma Gennadiy Seleznev of the Communist Party described as artificial the two new alliances being set by Chernomyrdin and Duma Speaker Ivan Rybkin. He does not think either of them will survive until the December poll.

In an interview with Interfax, he suggested that the announcement was made for external consumption to show world leaders arriving in Moscow for May 9 ceremonies that Yeltsin is control of the coming elections whose results are a foregone conclusion.

Seleznev said the Communists would not enter any alliance and go it alone in the coming poll.

For his part, Tatarstan Prime Minister Farid Mukhametshin says the regions will rally behind the Chernomyrdin-led alliance to sideline the extremists.

But he says the alliance will not drum up wide support unless it submits a realistic recovery program and takes practical steps to show what can be done now.

One of the leaders of the Derzhava (Statehood) movement Viktor Kobelev described the prime minister's move as the government's only sensible step in recent time.

He thinks the alliance stands a good chance of winning the vote despite predictions of defeat by Communist and LDP leaders Gennadiy Zyuganov and Vladimir Zhirinovskiy. To make his case, Kobelev says the new alliance incorporate leading government figures and members of parliamentary groups representing the regions.

He described as false some allegations saying members of the Stability group were bribed into entering the new alliance bloc saying many of the group were very decent.

For her part, one of the leaders of the Democratic Russia movement Galina Starovoitova in a statement to Interfax accused the government of interfering into the process of forming a new parliament describing this as the ruling elite's diktat aimed to limit the electorate's choice.

Leader of the Party of Economic Freedom (PES) Konstantin Borovoy in turn described it as an attempt to usurp power by government officials saying it was both uncivilized and unconstitutional.

His statement says "the president and his officialdom" are trying to meddle in the citizens' rights to form political associations aimed to defend their own interests. Borovoy has warned against the formation of governable entities posing as pollitical parties saying this would mark an end to freedom and democracy in Russia.

The PES leader called on Yeltsin to abandon ill-conceived actions which may lead to an uprising by the people deprived of their constitutional right to be a source of government.

Chernomyrdin Bloc Said Facing Leadership Struggle

MM0305144995 Moscow KOMMERSANT-DAILY in Russian 3 May 95 p 3

[Report by Yevgeniy Yuryev: "Party Life in Russia: 'Russia Is Our Home: Who Is Master There?'"]

[FBIS Translated Text] The May Day celebrations have not interrupted the extremely vigorous process of forming the new electoral bloc (whose proposed name is "Russia Is Our Home") which Premier Viktor Chernomyrdin intends to head. The organizing committee formed "on the hoof" has been working indefatigably and there has been a massive campaign to win round and recruit potential allies and sympathizers. The day before the holiday Sergey Shakhray, vice premier and leader of the Party of Russian Unity and Accord [PRES], who mooted the idea of putting together a bloc, discussed with his party's leadership the terms for its involvement in the new bloc. A presidium of the party's federal council involving deputies from Shakhray's State Duma faction was held in an atmosphere of purported confidentiality. KOMMERSANT-DAILY was told by a source within the party's leadership that the session was held "on the outskirts of Moscow with the assistance of one of the city structures."

The meeting was not attended by any potential allies in the new bloc or observers from the government and presidential structures, which have an interest in its creation. At what was purely a party meeting Shakhray won the PRES leadership's formal "go-ahead" to take part in Chernomyrdin's bloc. The party's leader does not seem to have any particular doubts on this score. Some misgivings on the part of the party's leadership, notably its leader, who has run a risk by getting involved in this undertaking, are due to their desire to "save face and preserve the political prestige they have won" and not get lost in the new extremely imposing collective. The band of ministers and other extremely influential people may quite well shove aside the leader of the PRES, who is not held in great esteem in the government. The party leadership has therefore decided to immediately stipulate a number of conditions on which the PRES will join the bloc. Shakhray's party will insist that the—politically speaking—extremely important questions of the association's campaign activity are transferred to its control. In that case the PRES, while working for the bloc, will not of course forget its own interests in the election campaign either. When the bloc's electoral list is drawn up the PRES would like to reserve 18 Duma seats for itself. You cannot call that excessive: The PRES only wants to preserve the positions that it won in the 12 December 1993 elections.

The allocation of seats in the future parliament will evidently not cause particular disagreement at the bloc's constituent congress, provisionally scheduled for 12 May. Members of the government, who have said that they are taking part in Chernomyrdin's bloc, will most

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likely not stand for deputies' seats. The Law on Elections of Deputies, adopted by the State Duma (but not yet ratified by the Federation Council), prohibits a person from combining the duties of deputy and minister. And the avowed desire for stability that featured in the bloc's creation hardly presupposes a Cabinet of Ministers shakeup on the eve of or straight after the election. Given that by and large the bloc intends to get around 100 of its supporters into the Duma (otherwise its task of securing a parliamentary majority becomes unlikely) there is not expected to be a rush of people after deputies' seats. Right now the "New Regional Policy" and "Stability" groups, along with a number of independent deputies from the current Duma, are in the running from the bloc in addition to the PRES.

The shareout of posts within the leadership of the bloc itself is expected to be trickier. The role of leader given to Viktor Chernomyrdin has not elicited any disagreement. As for his intended deputies, that might well be the subject of haggling in which each of the bloc participants might quite well state their rights. Shakhray's fears of being ousted from the leadership of his baby do not seem unfounded and are already materializing. Konstantin Titov, head of the Samara Oblast Administration, has been appointed Chernomyrdin's deputy in charge of the organizing committee. The presidents of a number of Russian Federation republics, the heads of Federation component administrations, and the leaders of industrial and entrepreneurial structures feature on the organizing committee in addition to government members. They include Mintimer Shaymiyev; Murtaz Rakhimov; Valeriy Kokov; Nikolay Bekh and Viktor Korovin, the general directors of KamAZ and Uralmashzavod; Rem Vyakhirev, the head of "Gazprom"; Anatoliy Tyazhlov, chairman of the Union of Governors of Russia; and the leaders of the "Siberian Accord" (Leonid Polezhayev) and "Great Volga" (Konstantin Titov) regional associations. Well-known academics and cultural figures have agreed to join the bloc's organizing committee: Academicians Yuriy Osipov (president of the Academy of Sciences) and Nikolay Laverov are cheek-by-jowl (in the best Soviet traditions) with masters of culture—Lyudmila Zykina, Vyacheslav Tikhonov, Aleksey Batalov, Irina Arkhipova, Aleksandr Kalyagin, and Boris Brunov. The little- known deputies fron the PRES and New Regional Policy and the even less well-known parliamentarians from "Stability" could quite easily get lost amid such a welter of high-profile names.

A quite curious situation is developing over the "No. 2 post." First Vice Premier Oleg Soskovets has already been appointed the bloc's number two man. By whom? Chernomyrdin? Whose premier's portfolio was rumored to have almost slipped into Soskovets' hands on one occasion? Hardly. Incidentally, people very close to Yeltsin (according to KOMMERSANT-DAILY's information)—jokingly as it were—love to dub Oleg Nikolayevich Soskovets "Russia's future president...."

Zyuganov Seen Jockeying for Position With Rybkin

MM0405102395 Moscow KOMMERSANT-DAILY in Russian 3 May 95 p 3

[Report by Natalya Arkhangelskaya: "Zyuganov: We Will Set Up a New Bloc, Our Own Bloc"]

[FBIS Translated Text] The actions by political forces close to the authorities to set up electoral blocs have, as expected, given rise to serious opposition from their opponents. Grigoriy Yavlinskiy, one of the main targets of the "bloc-builders," responded to their military wiles by making an overemotional and perhaps even hysterical appearance on the television program "Details," which clearly bears witness to the bad feeling this behavior has engendered in the "Yabloko" leader. As you might have expected, there was a more appropriate and measured response from the left wing: At a May Day rally Zyuganov, leader of the Communist Party of the Russian Federation [CPRF], called for the formation of a bloc of state patriotic forces.

The first thing you notice is that there were two communist May Day celebrations in the capital. The most serious comrades (Shenin, Umalatova, and Anpilov) began their march to the downtown area at the monument to their leader on Kaluzhskaya Square and concluded it with a rally making the usual demand for an immediate end to the "anti-people regime." The more moderate section of the left, as represented by the CPRF and its leader Gennadiy Zyuganov, set off from Triumfalnaya Square with slogans which were more social democratic in orientation and lacked any kind of political demands whatsoever. Which is in general uncharacteristic of the communists. What is even more interesting is that Mikhail Shmakov (Federation of Independent Trade Unions), Nikolay Kharitonov (Agrarian Party [APR]), and Artur Chilingarov (who is simply deputy speaker of the State Duma) were to be found on the podium alongside the CPRF leader. It is becoming clear that in spite of the constant demands to end the split in the communist movement by rank and file communists at CPRF congresses and plenums, Zyuganov and his realpolitik cronies are striving to distance themselves more and more from the fundamentalist communists at the same time as drawing closer to the left-of-center forces as represented by the Agrarians, trade unions, socialists, and women's movements. The authorities' stated intention to create two electoral blocs only gives this trend more impetus. It seems that while the speaker, Rybkin, who has for the moment got the blessing of the authorities as leader of the left-of-center bloc (though he apparently did not really expect this), is off traveling in the far abroad, Zyuganov is seriously preparing to seize the initiative from him.

However, the creation of a left-of-center bloc is a very difficult task, and there are great doubts that this will go off smoothly for the CPRF leaders. Although one of the APR's leaders appeared on the podium on May Day, it is

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unlikely that the placid farming areas have unanimously agreed to march "under the banner of Zyuganov." This threatens to create all too many problems for them while they are guided in their politics exclusively by pragmatic considerations. You only have to recall the unruly family feud between the Agrarians and the communists in the Duma during one of the budget votes. The plenary session had to be interrupted for consultations, which, however, did not lead anywhere: The members of the APR faction nevertheless voted "for." The authorities have a greater chance of attracting the rural population than the communists with their ideological baggage, and the fact that Zyuganov shared a stage with Kharitonov is possibly just a way for them to bargain with the government.

The presence at the rally of the trade union boss, Shmakov, is also insignificant. First, we know that this nomenklatura figure does not have much influence in the sector trade unions. Second, inasmuch as the trade unions are in principle committed to purely economic interests, the government stands a chance of coming to an agreement with them.

What is most difficult to understand is the appearance of vice speaker Chilingarov on the podium together with Zyuganov. In general he has a great liking for political gatherings, and the last one at which he was seen was the founding congress of the Russian United Industrial Party (party of Volskiy, Shcherbakov, and Dolgolaptev). It is impossible, however, to exclude the possibility that he attended the May Day celebrations in his capacity as agent of influence for the absent speaker. I should remind you that Chilingarov served in the Supreme Soviet as Khasbulatov's assistant for public relations and links with parties.

All the above can, however, be right only if Zyuganov really is playing his own game and is striving to oppose the pressure of the authorities and their two electoral blocs. If he, as has already been stated in KOMMERSANT-DAILY, is an alternative to Rybkin as part of a government electoral strategy, then the May Day show acquires a completely different meaning. Incidentally, several experts think that Zyuganov at the head of a left-of-center bloc (intended as an opposition to the right-of-center bloc) would look much more convincing to the electorate than the Duma speaker.

Zyuganov Sees Creation of State-Patriotic Bloc

LD0405102595 Moscow ITAR-TASS in English 1005 GMT 4 May 95

[By Oleg Velichko]

[FBIS Transcribed Text] MOSCOW, May 4 (Itar-Tass)—The two electoral blocs which are being created now—the right-of-centre and the left-of-centre—are aimed at "testing a new two-party management system in Russia, following the English-American pattern," which the present regime seeks to create, chairman of the Central Committee of the Communist Party of Russia Gennadiy Zyuganov said in an Itar-Tass interview.

The leader of Russian communists is sceptical about the prospects of such blocs, because "there is no ground for them in Russia: there is neither stable middle class, nor democratic traditions of long standing." He regards those attempts as "the sounding of public opinion before the parliamentary and presidential elections."

At the same time, Zyuganov said, referring to the Communist party of Russia and other opposition organisations: "The process of the formation of a coalition is going on rather quickly, and soon we shall witness the emergence of a bloc of the state-patriotic forces, which will be in opposition to the present regime."

Speaking about their possible allies by the electoral bloc, Zyuganov mentioned the Agrarian party, socialists, trade unions, women's organisations, veterans and the Association of commodity producers.

Zyuganov made it clear that he might run for presidency at the next presidential elections.

Shumeyko Not To Join Any Election Blocs

LD0305183495 Moscow ITAR-TASS in English 1700 GMT 3 May 95

[By Lyudmila Yermakova]

[FBIS Transcribed Text] MOSCOW, May 3 (Itar-Tass)—Russian Federation Council Chairman Vladimir Shumeyko confirmed his decision not to join any election blocs or movements.

Shumeyko believes that "at this stage all forces and energy should be concentrated on the work in the upper house of parliament," Federation Council spokesman Yuriy Algunov told journalists on Wednesday.

He noted that Shumeyko deeply respects both State Duma Chairman Ivan Rybkin and Prime Minister Viktor Chernomyrdin and maintains close contacts with them.

Shumeyko is convinced that as the election campaign gains momentum the Federation Council "together with the president should guarantee stability in the country, the observance of the Constitution and political calmness."

In his view, elections during the transitional period "are not only a test for political maturity, but also a serious trial and load for the political system." Therefore, the activity of the Federation Council, which represents all Russian regions, will help build a sound basis for Russia's economic, social and political development.

Reactions to New Political Blocs Surveyed

MM0405104895 Moscow ROSSIYSKAYA GAZETA in Russian 4 May 95 First Edition pp 1-2

[Article by Aleksandr Batygin: "In Order To Take Off, Russia Needs Two Wings. Organizing Committee of 'Russia Our Home' Electoral Movement Has Been Set Up"]

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[FBIS Translated Text] The past few days in Russia's political life have been dominated by the creation of powerful electoral associations, which have popularly become known as the "Chernomyrdin bloc" and the "Rybkin bloc." ROSSIYSKAYA GAZETA has already written about the essence of the new election idea, whose realization will, in the opinion of the centrist blocs' creators, make it possible to build our life in stability, without revolutions, plots, or upheavals.

The first session of the organizing committee of the government chairman's electoral bloc was held in the government residence last Saturday. The new movement's program can be formulated quite concisely: to establish and preserve political stability in Russia over the next four years.

V. Chernomyrdin voiced confidence that extreme left-wingers and right-wingers will remain in the minority during the elections and that 1996 and subsequent years will not bring another revolution. "We must lead the country away from this," he pointed out, "and save it from upheavals." The movement which the government chairman is creating has been supported by over 100 deputies from various factions and groups in the State Duma.

The editorial office has learned that 12 May it is planned to hold a congress of supporters of the "Chernomyrdin bloc," which has been named the "Russia Our Home" movement. The movement's general political program will be made public at the congress, and statements on the situation in Chechnya and the CIS and on strengthening the Russian Federation will be adopted. In addition, it will be explained at the upcoming congress of the new electoral movement how it intends to cooperate with government structures. The reports which have appeared in the mass media that all members of the Russian Government will join the "Russia Our Home" bloc are wrong. For those cabinet members who intend to participate in the new movement it is a question of an additional public workload, no more.

Branches of the "Russia Our Home" movement have been set up in 45 parts of the country. Already 72 of the Russian Federation's krays and oblasts have come out in support of the movement, and over the next few days the remaining parts of the country will also express their attitude to it.

The movement's action group includes a number of presidents of republics within the Russian Federation and kray and oblast administration heads, leaders of industrial and entrepreneurial structures, and well known scientific and cultural figures. They include Mintimer Shaymiyev, Murtaza Rakhimov, and Valeriy Kokov; Nikolay Bekh, general director of the Kama Truck Plant; Viktor Korovin, general director of the Ural Heavy Machine-Building Plant; Anatoliy Tyazhlov, chairman of the Governors Union; Leonid Polezhayev, leader of the "Siberian Accord" regional association; and Konstantin Titov, leader of the "Great Volga" regional association. Well known scientists and cultural figures have agreed to join the movement's organizing committee, which is being formed.

Participation in an electoral movement is serious work. All of us—not just the government—need reliable legislative rear support and a responsible parliamentary majority. The creation of two powerful electoral blocs has plunged into a state of shock the opposition camp, the democrats, who are experiencing a crisis of disunity, and those who are unable to advance a consolidating initiative. At the May Day rally Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, "scolded" the initiators of the creation of new electoral associations before the elections, while the participants in demonstrations beneath red flags got no further than shouting "Down with" and "Gang."

Many leaders of political parties and movements have already expressed their attitude to the formation of the new electoral blocs. Thus, "Russia's Choice" Chairman Yegor Gaydar has emphasized that he is ready for dialogue and cooperation with Chernomyrdin's bloc, since the Russian Government today is implementing the program that "Choice" supports. The official position of Gaydar's party will be formulated at an 11 May session of the "Russia's Choice" parliamentary faction and then in the party's Political Council. Yegor Timurovich, who has already repeatedly suffered fiascoes both at government level and as a political leader, is clearly being cautious today, stipulating that he allows cooperation with Chernomyrdin's bloc on a number of questions, particularly with regard to coordinating some Duma candidacies, but that it is too soon to speak of a closer alliance, still less of "Choice" joining the "Russia Our Home" bloc.

Agrarian Party Chairman Mikhail Lapshin has declared in turn that he intends to lead his supporters on a separate party list, but in first-past-the-post districts the agrarians might act within the "Rybkin bloc."

Sergey Shakhray, leader of the Party of Russian Unity and Accord, has confirmed his party's intention to consolidate efforts with the bloc being created by the premier in order to secure a majority of seats in the State Duma in next December's elections.

"It makes no sense to run independently," S. Shakhray declared at the unpaid Saturday work session which his party's activists carried out on Poklonnaya Gora in honor of the victory 50th anniversary. "To secure our 7 percent of the electorate's votes and sit in the Duma, where Zhirinovskiy will be on the rostrum day and night—why these percentages? Now is the time to pool efforts, and I believe that Chernomyrdin's initiative has been dictated precisely by a unifying desire."

As always, the leader of the Liberal Democratic Party of Russia holds a dissenting opinion. He believes that the idea of creating progovernment electoral blocs is doomed to failure.

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If we cast aside the emotions and the impassioned accusations from the lips of the opposition which were heard 1 May, it is a question today of the state's fate at a crucial time. Do extremist statements like the one disseminated by the National Accord Front on the eve of the great date benefit us all? "Let us turn 9 May 1995 into a festival of the upcoming victory over the regime of occupation," it reads.

The editorial office received another "menacing" fax from the "Rebirth" Liberal Patriotic Party: "From the moral viewpoint it is totally impossible for us, unlike a number of cowardly-conciliationist or selfish-collaborationist parties and organizations, to make any compromise with the present comprador regime of occupation."

The loud, impassioned tone of the fighters against "occupiers" convinces us yet again of the correctness of the choice made: The extremist wings must be cut off right now, and on both the left and the right. The new blocs, that is to say wings, have been conceived in order to fly, not fall. Political stability in Russia is not an empty expression, and the decision by the "party of power" to take the election campaign into its own hands is timely and for the good of us all. For the prosperity of the motherland and of the Russians is possible only under conditions of stability and unity, but no way under conditions of constant bickering and enmity.

If the country goes into the upcoming elections in an unruly manner, with dozens of parties trying to grab the biggest slice of the pie, then we will get a situation like the one in October 1993. Only, do Russia and the people need another upheaval?

Two-Party System Said To Promise Stability

MM0405094995 Moscow IZVESTIYA in Russian 27 Apr 95 p 1

[Commentary by Sergey Chugayev: "Party of 'Power' Announces Its Intention To Stay in Power"]

[FBIS Translated Text] Prime Minister V. Chernomyrdin's announcement on 25 April about his decision to form and lead an electoral association can hardly be considered sensational. The term "party of power" has been in circulation among journalists and political scientists for several months now. Now finally we have graphic evidence of what this means. Especially as, to the best of my knowledge, we will shortly witness the birth of yet another electoral association, which will most likely be led by State Duma speaker I. Rybkin.

In itself the emergence of two major (and there is no doubt that they will be major) political movements based on state structures testifies to a new stage in Russian political life. A stage which might conditionally be described as one of outward stability. To all appearances, the period of open struggle for power at the federal level and the period of open redistribution of property has come to an end. We are now in an age of behind-the-scenes rivalry among political figures and groupings pursuing for the most part their own specific and fairly narrow personal interests away from the public gaze. It seems that this outward stability was achieved in the higher echelons of power in Russia in February, when the alliance between the executive branch and major financial and industrial groups effectively took shape. And this means that no redistribution of political and economic power capable of having strategic consequences for the country is envisaged in the near future.

Thus a fairly neat and rigid political and economic system within which every element occupies a strictly determined place has formed in the country. It formed first of all in Moscow. Then, as we saw, the regional elites gradually began to be integrated into it. As a result Russia has arrived quite imperceptibly at the form of politico-economic development which is usually termed "Chinese" or "Asian." That is, it has embarked on a course of transition to a market economy under full state control.

It is very possible that this course is the best one for Russia. As the stormy events of recent years have demonstrated, the country, with the exception of perhaps a section of the Moscow intelligentsia, is not ready for democracy in its classical form.

Perhaps the only serious threat remaining for the established system is the elections, which may cause a realignment both in politics and economics. It is now becoming clear in the wake of V. Chernomyrdin's statement how the authorities intend to resolve this problem. In essence an attempt is being made to introduce a two- party system in Russia. Two blocs are being formed—a right-of- center bloc and a left-of-center bloc—which will outwardly be rivals but in fact are two branches of the same party: the "party of power." It is hard to believe that V. Chernomyrdin, who has stated repeatedly that he will not undertake any political initiatives without the president's say-so, made this decision on his own. The same goes for I. Rybkin. Especially as, according to well informed sources, the final conversation on this subject took place a week ago during B. Yeltsin's meeting with V. Chernomyrdin and I. Rybkin.

The two powerful electoral blocs are threatening take up so much room in the political center that those political forces which do not wish to merge into their ranks (or which are not allowed to do so) may be sidelined. On the other hand, all those who join the blocs will be firmly integrated into the system of power.

Chernomyrdin's right-of-center bloc will most likely find allies in the "Stability" and "Russia" deputies' groups recently formed in the Duma, definitely the Party of Russian Unity and Accord, probably A.N. Yakovlev's social democrats, the Russian Movement for Democratic Reforms, and a number of other small democratically oriented parties and movements. Ye. Gaydar finds himself in the most difficult position here, as he is forced

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to choose between losing his ties with the government and possibly losing his constituency.

The likeliest allies of the left-of-center bloc could be the Agrarians, the Democratic Party of Russia, whose leader S. Glazyev is welcome at the Kremlin, possibly the "Women of Russia" faction, the Russian Union of Industrialists ands Entrepreneurs, the socialist party, and the Federation of Independent Trade Unions of Russia. I. Rybkin's bloc should pose the greatest threat to G. Zyuganov's party, a section of whose members will very likely join the left-of-centrists, while the remaining members will have to move significantly to the left.

The politicians and political forces that will under no circumstances become part of this two-party system can be named with great certainty. First and foremost they are G. Yavlinskiy and A. Rutskoy. A. Lebed's statement that he is entering active political life, delivered at practically the same time as Chernomyrdin's, bears witness to the fact that he too has not found himself a niche in the emerging system. If this is true, then Yu. Skokov is also out of the "party of power."

V. Zhirinovskiy has a very special place in this game of political solitaire. He is rendering important services to the "party of power," but he is hardly likely ever to be admitted to it.

The main virtue of the emerging two-party system is that it can guarantee Russia's citizens the stability to which they were accustomed in past decades. (Were it also able to guarantee them their accustomed confidence in the future, you could consider the absolute victory of the "party of power" in the elections a foregone conclusion.) Its main shortcoming is that neither bloc includes any outstanding and popular politicians. They contain talented administrators and clever bureaucrats. But not outstanding and popular politicians. They remain on the sidelines, so to speak. (This clearly is characteristic of all such political mechanisms.) This means that the "outcasts" have no other recourse but to destroy the system by all means at their disposal. Such politicians as A. Lebed and G. Yavlinskiy will pose a serious threat to it.

Media Issues

Cabinet on Plans for Information Structure

LD0405121695 Moscow ITAR-TASS in English 1149 GMT 4 May 95

[By Gennadiy Yezhov and Andrey Serov]

[FBIS Transcribed Text] MOSCOW, May 4 (Itar-Tass)—The Russian government will soon have its information service reorganised along the lines which will make it look like the Presidential service, the Russian prime minister's press secretary Viktor Konnov said in an interview with Tass today.

Who will head the new service will be announced shortly, the spokesman said.

The new structure will comprise several departments, but special attention will be given to the press, radio and television departments which will be entrusted with covering the government activity, Konnov said.

The reorganisation is expected to turn the currently independent governmental press service headed by Valentin Sergeyev into an integral part of the apparatus directly subordinate to the Cabinet's chief of staff Vladimir Babichev, Konnov said. He stressed, however, that the final decision on the changes has yet to be made.

The new governmental information structure will probably resemble the Presidential information service, within which the official spokesman and the head of the information structure are equal in status, Konnov added.

Konnov said that since Chernomyrdin decided to lead an electoral bloc, the Prime Minister's press secretary would also have to cover the activity of the bloc.

Gryzunov Calls for New State-Media Relations

LD0305175395 Moscow INTERFAX in English 1538 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (Interfax)—The Russian State Press Committee has drafted a concept of new relations between the state and media, committee president Sergey Gryzunov told an international workshop "Fundamental Human Rights and Mass Media: Forms of Expression and Tolerance" to mark the International Freedom of the Press Day.

He made it clear that under the concept an interdepartmental national council on mass media would coordinate the state policy towards the media.

The council should be made up of members of interest groups and of the legislative and executive branch in charge of the state policy in this field, Gryzunov explained.

He said that the council should handle various issues such as the policy of investments in the media and support of publication programs.

Wherever possible, concerns have to be set up which would incorporate presses, publishing houses and financial and research organizations, Gryzunov emphasized.

He believes that concerns could cut the costs of publishing a newspaper by 40 percent to 60 percent. Gryzunov added that the concerns could make the media a truly independent force the state would have to reckon with.

Gryzunov told Interfax that the draft had been submitted to the presidential headquarters, the government and the State Duma Information Policy Committee. In his words, the committee is willing to make the draft available to any editorial board free of charge. Gryzunov

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said that the State Duma Information Policy Committee had used certain ideas of the draft without quoting the source.

Fourth Journalists Union Congress Reported

MM0405122695 Moscow ROSSIYSKIYE VESTI in Russian 4 May 95 p 1

[Report by Tatyana Akkuratova and Nikolay Vaynonen: "The Press Is Free! Will It Die Free?..."]

[FBIS Translated Text] In his traditional message to mark world freedom of the press day, celebrated 3 May by a UN decision, UNESCO General Director Federico Mayor quoted Socrates, who asked that offense should not be taken at the truth he spoke. F. Mayor linked this with the fact that the United Nations has declared 1995 the International Year of Tolerance. The fourth Journalists Union of Russia congress which ended a few days ago showed that the possibility of relations of tolerance between the Russian authorities and the mass media has not been lost. Unless, of course, these relations are aggravated artificially. Hardly anxious to comment on Socrates, V. Bogdanov, chairman of the Journalists Union of Russia, uttered a phrase which was inspired: He said that our journalists take money and write the truth. If we close our eyes to the insultingly ambiguous nature of this aphorism, leaving only its bare meaning, what we have is an accurate reflection of the situation in the Russian press: Yes, the journalist is obliged to take money, that is to be the hired employee of the owner of the money since, first, he is not the owner of the means of the production of information and, second, this production itself is lossmaking since prices for paper, printing, and the distribution of the mass media are close to world prices but the income of the reader, viewer, or listener is still, alas, entirely Russian.

So that is why those taking part in the Journalists Union congress were so amused by the advice from one fully empowered representative of the government: Produce good newspapers and they will pay for themselves. The congress voiced the conviction that without state support, both economic and particularly legal, the press will not survive. Unfortunately, the course of the congress confirmed the idea voiced by Sergey Filatov, chief of the Russian Federation president's staff, who addressed the journalists and said that in mutual relations between the authorities and the mass media we have no traditions of partnership but we have traditions of total distrust. On the first day of work those assembled adopted a resolution denouncing a number of representatives of power who allegedly ignored the congress and the next day, having listened to speeches by Sergey Filatov, Sergey Shakhray, and other "convicted men," they agreed with Shakhray's proposal to create a tripartite commission of the Journalists Union, the government, and the Duma to resolve all questions which perturb the journalists... forgetting meanwhile to repeal the previous days' resolution.

Nonetheless, the documents adopted by the congress gear them toward constructive work.

Financial Losses Cause NEDELYA To Close

LD0405104495 Moscow Mayak Radio Network in Russian 0430 GMT 4 May 95

[FBIS Translated Excerpt] Some sad news now, particularly for those who read the NEDELYA [week] newspaper. Its last issue was published today. It was officially announced that the newspaper was to close for economic reasons. The newspaper's losses last year amounted to 600 million rubles. Letters of sympathy and farewell published in today's issue prove how popular the newspaper has been. [passage omitted]

Vsevolod Bogdanov, the chairman of Russia's Union of Journalists, said that journalists cannot remain indifferent to what is happening to the highly professional work force.

Military, Nuclear & Space Issues

Grachev Seeks Control Over Russian Arms Sales

LD0405100495 Moscow ITAR-TASS in English 0943 GMT 4 May 95

[By Gennadiy Yezhov and Andrey Serov]

[FBIS Transcribed Text] MOSCOW, May 4 (Itar-Tass)—Russian Defence Minister Pavel Grachev today told the Cabinet meeting that a problem-free budget could result from giving all control over Russian arms sales abroad to his Ministry.

Grachev said the Defence Ministry should be given the right to take orders directly from foreign buyers and place them with domestic arms manufacturers. According to him, this would revivify the arms sales abroad and cure many budget ills with additional earnings.

The Minister handed a formal copy of his proposals to Prime Minister Viktor Chernomyrdin.

Arguing in favour of his proposals, Pavel Grachev said that many foreign customers have recently refused to buy arms in Russia because there was no certainty about "who receives the order and who delivers the goods". According to the Minister, the situation forced Ethiopia to switch to purchasing arms from the United States.

Pavel Grachev said "the swollen bureaucratic system" was to blame for the decline in arms trade. The bureaucracy is also to blame for dwindling profits derived by the manufacturers.

The Minister called for more support of the military-industrial complex, which is now falling apart and losing millions of jobs, thus increasing the army of the unemployed.

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As concerns the army, the government owes its personnel 600 billion roubles in salaries for April alone, the Russian Defence Minister said.

Text of Yeltsin Edict on Draft Deferment

MM0405125395 Moscow ROSSIYSKAYA GAZETA in Russian 4 May 95 First Edition p 1

[Edict No. 430 of the Russian Federation President "On Deferment of Military Service for Certain Categories of Citizens," dated 29 April 1995, The Kremlin, Moscow, and signed by Russian Federation President B. Yeltsin]

[FBIS Translated Text] In order to keep cadres of gifted young scientists and attract young specialists with higher vocational training to state institutions, organizations, and enterprises and on the basis of Article 21 of the Russian Federation law "On Military Service Obligation and Military Service" I rule that:

1. Deferment of military service should be granted to:

citizens receiving post-higher-education vocational training at state educational institutions of higher vocational training and scientific institutions offering higher vocational training—for the duration of their training and examinations;

citizens who have gone directly on graduating from higher vocational training institutions into full-time work in their specialty in state institutions, organizations, or enterprises—for the duration of that work.

2. The Russian Federation Government is to determine the procedure whereby deferment of military service is granted to the citizens mentioned in point 1 of this edict.

3. This edict enters into effect the day it is published.

[Signed] Russian Federation President B. Yeltsin
The Kremlin, Moscow, 29 April 1995

Yeltsin Signs Edict on Veterans' Affairs

LD0305195095 Moscow ITAR-TASS World Service in Russian 1215 GMT 3 May 95

[FBIS Translated Text] Moscow, 3 May—Russian President Boris Yeltsin today signed an edict "on the state service for veterans' affairs."

The edict, whose text ITAR-TASS has received from the Russian president's press service, says that for the purpose of implementing the federal law "on veterans" the head of state resolves that the implementation of the functions of the state service for veterans's affairs is to be entrusted to federal executive authorities and the executive authorities of the component entities of the Russian Federation.

The Russian Government has within one month to decide the matter of the structural and organizational support for implementing the provisions of the federal law "on veterans" after entrusting the Russian Social Security Ministry with coordinating and systematically providing for this activity.

The Russian Government and the executive authorities of the component entities of the Russian Federation need in implementation of the federal law "on veterans" to draw up and establish within their remit the procedure for involving local self-government bodies in carrying out the functions of the state service on veterans' affairs.

The federal executive authorities and the executive authorities of the component entities of the Russian Federation need in implementing measures for the social welfare of veterans to ensure the involvement of public veterans' associations in this work.

The present edict enters into force from the day of its publication.

Kazan Helicopter Plant Wins Order From India

MM0305150795 Moscow KRASNAYA ZVEZDA in Russian 29 Apr 95 p 3

[Report by Boris Aleksandrov under the "Fax-News" rubric: "Mi Helicopters Take to the Air Above Bombay"]

[FBIS Translated Text] Kazan—The Indian company Mesko [as transliterated] has concluded a contract with the "Kazanskiy Vertoletnyy Zavod" joint-stock company for the purchase of five Mi- 172 helicopters—a civilian version of the Mi-17 helicopter. The value of the deal is not being given, but it is planned to supply the aircraft to India in September 1995.

Already last year, the "Mesko" company bought one M-172 and hired another helicopter from the Kazan helicopter constructors. The Kazan helicopters' good reputation has been confirmed in practice.

Ship Reactors Adapted as Floating Power Plants

MM0405124695 Moscow Russian Television Network in Russian 1000 GMT 30 Apr 95

[From the "Vesti" newscast: Video report from Nizhniy Novgorod by I. Stanovov and A. Pelyak, identified by caption]

[FBIS Translated Text] [Stanovov over video of nuclear installation, nuclear icebreakers] The KLT-40 nuclear plants were designed by the Nizhniy Novgorod Experimental Design Bureau for Machine Building [OKBM] for nuclear icebreakers, where they served faithfully for almost 30 years, proving reliable and, above all, safe.

[Yu. Panov, OKBM chief designer, identified by caption] The radiation, even for personnel working on the icebreaker and servicing the reactor installation, is less than two points above the normal background radiation to which you and I are exposed constantly.

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[Stanovov over video of icebreaker at sea, KLT-40 plant closeup, drawings of floating nuclear power station, desalination plant] Alas, new icebreakers are no longer being built. There is simply no money for this. However, the KLT-40 installations are now being considered as sources of heat and light for the Far North, or as desalination plants for desert areas.

[Panov to camera] This is the main trend in reactor building in the world both at present and for the next century. It simply could not produce another situation like Chernobyl.

[B. Papkovskiy, head of Main Administration of Russian Federation Ministry of Atomic Energy, identified by caption] Essentially, Russia has a world monopoly today on the use of civilian nuclear-powered ships. We have clocked up 150 reactor-years on eight icebreakers and one lighter. In 35 years of operation there has not been a single case of occupational illness in connection with the use of nuclear power plants on ships.

[A. Peslyak over video of power plants, ships] The current problems with energy, fuel, and heat make the idea of floating nuclear power stations highly topical. Two light-water reactors, of the same type as those installed on icebreakers and submarines, are installed on barges under a multi-layer containment structure. The technology has been tested, and 60-member crews have been trained. And the locations?

[Papkovskiy] One will be located at Pevek in Chukotka, where it will be used essentially as a buffer of the Bilibino nuclear power station.

[Peslyak] In Maritime Kray 60 megawatts of additional power will not go amiss either. The plants can also be used for desalination of seawater.

[Papkovskiy] The Near East, North Africa, South America, and Hong Kong have expressed great interest. But they all want to see first how it works.

[Peslyak] Expenditure can be recouped within seven to eight years. But the main advantages are that this will reinforce production and mineral resource development in the Far North and stem the exodus from these areas. Furthermore, tens of thousands of engineers and workers at Russian design bureaus, scientific institutes, and industrial enterprises will not disperse into commercial structures. They will have work. It all hinges on a small matter. This progressive and potentially lucrative Russian idea must become a state program. [video shows nuclear power plant, icebreakers at sea, closeup of nuclear power plant, drawings of floating nuclear power station/desalination plant, blueprint, interviews with Panov and Papkovskiy, Atomic Energy Ministry building]

Regional Affairs

Further Reportage on Situation in Chechnya

Stepashin on Keeping Peace in Gudermes

LD0305193695 Moscow Russian Television Network in Russian 1600 GMT 3 May 95

[From "Vesti" newscast]

[FBIS Translated Text] Sergey Stepashin, director of the Federal Security Service, and Umar Avturkhanov, chairman of Chechnya's national accord committee, today took a train from Groznyy to Gudermes. Stepashin noted that at the end of May commuter trains would be running along that road. The visitors attended a meeting in the prefecture of Gudermesskiy Region. It was chaired by prefect Movlad Asmayev. Stepashin said the government has every opportunity to prevent the escalation of military actions in the area of Gudermes during May holidays, despite the fact that militants had become more active and that small groups of saboteurs had managed to get into Groznyy. Umar Avturkhanov said that in his view the most urgent task was to restore the good name of Chechens, who were currently known all over the world as bandits. He is certain there are still many people in the mountains who were led to believe they are fighting for Chechnya. After the meeting, the two officials and the leaders of Gudermes visited the 22d separate operations brigade of the internal troops.

Constitutional Court Hears Inquiry on Events

LD0305175095 Moscow INTERFAX in English 1611 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (Interfax)—An inquiry of the Federation Council, the Russian parliament's upper chamber, has been received by the Russian Constitutional Court. The inquiry asks for verification of the lawfulness of legislation related to the Chechen situation, Judge-Secretary of the Constitutional Court Yuriy Rudkin told Interfax Wednesday [3 May]. The inquiry calls into question the lawfulness of three pieces of legislation: two presidential decrees and a government resolution on the situation in the Chechen republic, including the classified presidential decree of November 30, 1994, "On Measures to Restore Constitutional Lawfulness and Order on the Territory of the Chechen Republic." Federation Council deputies believe that this decree was used to start combat operations of the federal troops in Chechnya.

Bearing in mind the inquiry asks for verification of a classified decree, it was sent by classified mail.

In the words of Rudkin, the document was received by the Constitutional Court before the May holidays and has not yet been studied by judges. A session of the Court will soon decide whether or not to consider this document or find formal aspects that prevent the Court from discussing the inquiry.

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Cease-Fire Reportedly Broken 35 Times

LD0305163795 Moscow INTERFAX in English 1538 GMT 3 May 95

[FBIS Transcribed Text] MOZDOK, RUSSIA, May 3 (Interfax)—The Russian military have said they have registered 35 violations of the current ceasefire by Chechen separatists over the last 24 hours.

Russian positions have been attacked practically throughout the rebel republic, a Russian military spokesman told Interfax.

Citing what he called preliminary conclusions, the spokesman said the Chechens had used cluster bombs near the village of Serzhen-Yurt.

A senior Russian army officer said: "The (Chechen) fighters' actions during the moratorium (ceasefire) are showing that some of the peace initiatives of some Russian politicians are senseless without any preliminary conditions. Losses among (Russian) troops have increased since the moratorium began."

Russia's top brass says it expects the Chechen secessionists to take advantage of the ceasefire to regroup and build up their forces and then launch fresh action in the vicinity of the Chechen capital Grozny and the villages of Achkhoy-Martan and Assinovskaya to keep their contact channel with the neighboring Russian region of Ingushetia.

Session on Health, Services, Economy

MM0405105295 Moscow ROSSIYSKAYA GAZETA in Russian 4 May 95 First Edition p 1

[Unattributed report under the "Events in Chechnya" rubric: "Session in Groznyy"]

[FBIS Translated Text] According to a Mobile Information Center report, a joint session of the Government of National Revival and the State Commission for the Restoration of the Economy and the Social Sphere in the Chechen Republic has been held in Groznyy.

The following questions were examined at the session: municipal work to restore Groznyy city's vital services; anti-epidemic work and the provision of medical services for the population in the Chechen Republic; the progress of the spring sowing campaign; and the restoration and development of trading and public catering enterprises and the supply of essential goods to the population.

The session was chaired by Salambek Khadzhiyev, head of the Chechen Republic Government of National Revival, and Petr Surov, first deputy chairman of the state commission.

Lessons Resumed in Chechen Schools

LD0405082695 Moscow ITAR-TASS in English 0736 GMT 4 May 95

[By Anna Babkina]

[FBIS Transcribed Text] MOSCOW, May 4 (Itar-Tass)—Lessons have been resumed in 28 schools of Chechnya. Over 700 teachers work in Chechen schools, teaching about 8.000 pupils, Itar-Tass learned from the Russian education ministry.

School buildings in the Chechen capital Groznyy have been examined by a special commission, consisting of experts from the Chechen and Russian education ministries and the Russian ministry for construction. A total of 19 schools were put on the list of facilities to be overhauled as buildings of priority importance. It was estimated that these schools cater for 15,000 schoolchildren or even all schoolchildren of the city provided teaching is done in two shifts.

FSK Officer on Causes of Chechen War

OW0405094195 Moscow Russian Public Television First Channel and Orbita Networks in Russian 1800 GMT 4 Apr 95

[Interview with Mikhail Kirillin, Russian Federal Counterintelligence Service officer, by commentator Yelena Golubeva—live or recorded; from the "Dossier" feature of the "TeleUtro" program]

[FBIS Translated Text] [Golubeva] Hello, the "Dossier" feature is on the air. Today our guest is Mikhail Kirillin, a Russian Federal Counterintelligence Service [FSK] officer, who literally returned from Chechnya the other day and brought some truly unique documents with him. [Video shows Golubeva with Kirillin in an office, with a large stack of documents on a desk in front of Kirillin]

[Kirillin] The main issue that was confirmed during our work in Groznyy was the fact that the Chechen Republic was actively preparing for war with Russia for practically the entire past year. Russia was seen as its main enemy. Dossiers were compiled on the leading political figures and various weak spots were sought for ways to put pressure on them. [Video shows a document in Russian signed by "Commander in Chief of the Armed Forces of the Chechen Republic of Ichkeriya, General D. Dudayev"; another addressed by hand to Maskhadov, "chief of the Main Staff of the Chechen Republic of Ichkeriya Armed Forces"; and other documents]

This is the plan, the "Lasso" plan, which envisaged massive air strikes against various Russian facilities. The plan, which was signed...[Kirillin changes thought] It is addressed to Maskhadov. These are Dudayev documents and it notes here they need to be worked on and classified [zagrifovat] so that all this would be kept a secret.

[Golubeva] Have you managed to decipher which Russian facilities are listed here as "Foton-001," "Kinzhal-002," and "Ozon-003?."

[Kirillin] Not yet, unfortunately. As early as March they had prepared orders, preliminary combat orders, that list in the greatest detail what every subunit must do, what it

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needs in the way of equipment, and where additional forces need to be enlisted. It remained only for a number to be put on this instruction and the plan would go into effect. Besides, this is not just a mobilization plan, it is also a plan for the output of military production. Every enterprise in Groznyy was set a product it was to produce.

[Golubeva] All these documents are a 100 percent violation of the Constitution of the Russian Federation!

[Kirillin] Absolutely, without any doubt. They tried to find some way to somehow legalize their unlawful positions from the very outset. Here is a very interesting document.

[Golubeva, reading document displayed on screen] "The Gorbachev Fund" has expressed its willingness to cooperate with the Chechen Republic in the sphere of establishing full-scale mutual relations between the Chechen Republic and the Russian Federation. This entire job is assessed at 50,000 U.S. dollars...

[Kirillin interrupting] Including the process of recognition of the Chechen Republic by Russia.

[Golubeva] You mean as a sovereign state?

[Kirillin] Yes, as a sovereign state, undoubtedly. Of course, one needs to examine all of this because no mention is made of the Gorbachev Fund in the agreement. A certain limited liability company known as SiS is mentioned [video shows closeup of the SiS Company stamp on a document, showing it is registered in Moscow's Western Administrative Okrug], which may or may not have been involved or it could have been money somebody put in his own pocket. [video shows closeup of a document outlining planned tasks, including the drafting of several concepts]

The issues they raised included the elaboration of concepts, three concepts: [Kirillin reads from a document shown on the screen] Mutual relations between Chechnya and the Russian Federative [Federativnyy] Center—of course an independent Chechnya, or how could there be any mutual relations? What else could they be talking about?

[Golubeva] Yes, and what is this Russian Federative Center?

[Kirillin] Yes, the Russian Federative Center, what is it?

[Golubeva] There is no such state.

[Kirillin, laughing] I agree with you, there is no such state. [Kirillin continues paraphrasing the document] And the reverse: Mutual relations between the Russian Federative Center and Chechnya, and mutual relations between the Russian Federative Center and states of the Caucasus region and the Confederation of Caucasus People. In other words it does not simply involve Chechnya but includes an independent northern Caucasus as a whole.

[Golubeva] Has the Gorbachev Fund already been informed that you have these documents?

[Kirillin] No, they have not been informed yet, but this is probably work for procuracy officers. They need to investigate this.

A military college was established in July 1992 on the basis of the Military Faculty of the Groznyy Petroleum Institute, which was tasked to train their national cadres. [Kirillin again paraphrases a document shown on the screen] Financing of the VUZ [Higher educational institution] from the budget was stopped in July 1992. In the same month, July 1992, they established a military institute on the basis of the faculty. Money for this institute was found in full measure. Money was also found to publish Dudayev's books.

[Golubeva] In Lithuania, as a matter of fact. [video shows documents noting payment of funds to a Lithuanian bank, listing book title]

[Kirillin] Yes, the book was published in Lithuania.

[Golubeva] Sixteen thousand eight hundred and fifty U.S. dollars was paid.

[Kirillin] This is just a down payment. There are other receipts here.

[Golubeva] It is hard to believe that the Russian FSK did not know about these documents or at least about these trends back in 1992, 1993, and the beginning of 1994.

[Kirillin] Well, let us take a look at how long we have existed. The FSK has been in existence just over a year.

[Golubeva] Yes, but it was not really established on a flat spot.

[Kirillin] No.

[Golubeva] No matter how it was carved up...

[Kirillin, interrupting] There are a couple of points here. The first is that the reorganization that were carried out was not always beneficial.

[Golubeva] That is understandable.

[Kirillin] The second point is that there was no unified concept for the actions of federal organs of authority in relation to Chechnya.

[Golubeva] In Russia?

[Kirillin] Yes, there was no Russian concept. At least you could not see one. Of course, the bulk of these documents only serves to confirm what we had on hand operationally.

[Golubeva] What you had on hand and reported?

[Kirillin] We reported this, naturally. This sort of thing was never accumulated somewhere internally. Of course it was reported. But with the absence of a unified concept the information was diffused. Some of it ended up in one

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place, some in another, and the result of all this can now be seen in the Chechen Republic. We ended up having to use force.

[Golubeva] So it turns out, if we take your word for it, that if this unified concept had existed among federal authorities of the Russian Federation, then possibly there would have been no war?

[Kirillin] I think that you have understood me correctly, but naturally this is my point of view. We found a way to solve problems with Tatarstan and we are now finding ways with other republics. If actions towards the Chechen Republic were just as purposeful...[Kirillin changes thought] But they thought: What can we make Dzokhar Dudayev? Can we make him a representative of the president? Or should we appoint him deputy minister of defense? These ideas were bandied around the higher echelons of power. But what if they had thought about the situation of the Russian-speaking people there? Well, maybe we could have avoided getting to this point.

[Golubeva] Thank you. Our guest on the "Dossier" feature was Mikhail Kirillin, an officer of the Russian FSK.

Ingush President Asks Yeltsin To Safeguard Refugee Rights

LD0405100695 Moscow ITAR-TASS in English 0926 GMT 4 May 95

[By Ruslan Maysigov]

[FBIS Transcribed Text] NAZRAN, May 4 (Itar-Tass)—Ingush President Ruslan Aushev appealed to Russian President Boris Yeltsin on Thursday [4 May] to provide guarantees of the constitutional rights of the deported Ingushes now returning to their homes in North Ossetia.

President Aushev also asked Yeltsin to send federal officials to the region in order to assess the situation on the spot.

The Ingush President's appeal was prompted by a number of incidents which took place over the period from April 25 to April 29 in the North Ossetian settlements of Kurtat and Dangaron, and in Prigorodnyy district where "rioting mobs were incited to attack" the returning Ingushes.

In an appeal to Chairman of the lower house of the Russian parliament (State Duma) Ivan Rybkin, Aushev proposed putting on the agenda of the next Duma session a report by Vladimir Lazovoy, Chairman of the Provisional federal committee for the liquidation of aftereffects of the Osset-Ingushi conflict.

Tatar President Says Russia Needs New Electoral Blocs

LD0405104695 Moscow ITAR-TASS in English 1026 GMT 4 May 95

[By Nikolay Sorokin]

[FBIS Transcribed Text] KAZAN, May 4 (Itar-Tass)—The creation of the two electoral blocs headed by Russian Prime Minister Viktor Chernomyrdin and Duma speaker Ivan Rybkin was expedient, Tatarstan's President Mintimer Shaymiyev said in an interview with the Respublika Tatarstan daily on Thursday [4 May].

He explained his viewpoint by reference to the fact that no popular mass parties or movements emereged during the period of perestroika (political and economic changes initiated by former Soviet President Mikhail Gorbachev in 1985).

Those which were created later had been initiated "from above" by the residents of Moscow and St. Petersburg who sought to secure their own election to the federal parliament, Shaymiyev said.

The Chernomyrdin and Rybkin blocs with their orientation towards the regions and their leaders will counteract this trend, according to Shaymiyev.

Tatarstan's President also called for electing the governors and heads of administration of the country's component territories and regions concomitantly with Duma members. This would efectively form a new Federation Council thereafter, he said.

Maritime Coal Industry on Verge of Stoppage

LD0405114495 Moscow INTERFAX in English 1116 GMT 4 May 95

[FBIS Transcribed Text] VLADIVOSTOK, May 4 (Interfax)—The badly underfinanced coal-industry enterprises of the Maritime Territory (the Far East) have found themselves on the verge of stoppage, Deputy Director-General of the joint-stock company Primorskugol Pyotr Khaspekov told Interfax. "The situation is even worse than before the March strike," he said.

He also said that the 200 billion-ruble federal subsides which First Vice Premier Anatoliy Chubays had promised the miners, had not arrived yet.

To date, Primorskugol has received only 50 billion rubles, brought to the Maritime Territory by Minister for Energy and Fuel Yuriy Shafranik to settle the wage arrears problem, he said.

In April, the joint-stock company Dalenergo paid the miners only 4 percent of the cost of the supplied coal (about 1 billion rubles).

Meanwhile, the Vodokanal water-supply service in Partizansk has cut off water from all mines of the city because of the chronic debt problem. Two of the mines—Glubokaya and Tsentralnaya—have been closed down.

In about seven days, the largest open-cast mines Pavlovskiy and Luchegorskiy, which have run out of diesel fuel, will be closed down too, he said. Primorskugol has no money to repay its debts or buy the necessary material resources, said Khaspekov.

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Dalenergo's debt to the coal miners currently stands at about 150 billion rubles.

St. Petersburg Mayor Set To Veto Budget

954F2202A St. Petersburg NEVSKOYE VREMYA in Russian 29 Apr 95 p 1

[Report by Sergey Zhukov: "The Mayor Will Use His Veto. No Doubt About It...."]

[FBIS Translated Text] "I am prepared to state officially that the mayor of the city will veto the law on the budget of St. Petersburg for 1995 that has just been adopted and will once again send it back for revision." This was stated by Aleksey Kudrin, chairman of city hall's Economics and Finance Committee, at a news conference organized yesterday.

As already reported, the deputies of the city's parliament did after numerous debates adopt their decision on the budget, for which a deficit of 821.5203 billion rubles (14 percent) is envisaged. But, according to Kudrin, the deficit that was acceptable in December, when the mayor submitted the draft budget for consideration by the Legislative Assembly, is now absolutely impermissible and would signify as of the middle of the year even serious payments problems. Considerable holdups in the disbursement of pay and the funding of the municipal economy are likely. A number of items of the budget that were defended earlier—allowances, prescription drugs—will not now be indexed.

In the opinion of specialists of the committee, the social orientation of the budget (which the deputies were so much urging) has by no means been strengthened, but there has, on the other hand, been an increase in capital investments—a direct road to a growth in the amount of incomplete construction. The city's members of parliament, the Economics and Finance Committee believes, have taken the simplest path. They have redistributed the anticipated revenues, which it had been contemplated channeling into the indexation of expenditure and cover of the growing budget deficit. No one has any doubt that it will in connection with inflation increase, but the deputies have not agreed to such unpopular measures as a cutting of expenditure items.

As an official and a specialist, Aleksey Kudrin emphasized in his statement, he could not agree with the principles by which the Legislative Assembly was guided in adopting the law on the budget. After the mayor of St. Petersburg has exercised his right of veto, therefore, the law will be returned to the Assembly in one or two days with amendments and observations. And the latest round of deputies' debates will continue. How long it will take for the adoption of a "final decision" and for St. Petersburg to finally be given the main financial law—the law on the budget—remains unclear.

Siberian Credit Union Chairman Interviewed

954F2201B Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 28 Apr 95 p 5

[Interview with Konstantin Yakovenko, chairman of the board of the Siberian Credit Union, and members of the board Nikolay Shapovalenko and Vyacheslav Tatarnikov, by Arkadiy Antonov; place and date not given: "Russia Will Be United... by 'Mutual Aid Funds'—Unless They Also Turn Into Financial Pyramids"]

[FBIS Translated Text] A Siberian Credit Union has been registered in Novosibirsk. The charter of the new organization, which will accumulate citizens' personal savings, outlines noble goals and tasks. But we are living through a time of trouble, and everything associated with investing in companies that are "different from others" brings out, alas, quite a few questions. We posed some of them to Konstantin Yakovenko, chairman of the board of the Siberian Credit Union, and members of the board Nikolay Shapovalenko and Vyacheslav Tatarnikov.

[Antonov] First, what is a credit union, and how is it different from, for instance, the notorious "investment companies," funds, and other firms that promised so much and then went out with a bang or are quietly dying? Second, is it not easier, and most importantly, safer to protect oneself against inflation by putting money in the banks, which promise lower interest but at least to some extent guarantee protection of their depositors' "hard-earned money?" By the way, VECHERNIY NOVOSIBIRSK just received a stern circular letter from the oblast administration, which "draws attention to the requirement to immediately stop publishing advertising of enterprises and organizations attracting the population's money without a proper license." Leaving aside the tone of the stern prescription, let me nevertheless ask: Do you have a license?

[Yakovenko] Well, let us sort everything out and separate, so to say, the flies from the hamburgers. To call our credit union a new type of organization would be very far-fetched. It would be more precise to call it something that unfortunately has been unfairly and unwisely forgotten—an association of people connected by a common interest. Essentially, this is a mutual aid fund, which used to be a familiar institution to all of us, helped us out in a time of need. As we find out increasingly frequently, the origins of this "innovation" go back to pre-revolutionary Russia. So-called "lending and saving associations" functioned quite successfully all over its immense territory. It should be emphasized that these were volunteer associations of people who knew each other well and trusted each other—neighbors, friends, inhabitants of the same village, city block, factory, plant, etc. And the "benefit" of such an association was simple and obvious—to save the needed funds, take out a loan at a low rate of interest and buy a needed item, let us say, a horse or a cow, build a house, purchase equipment, and so on. What is important is that members of such

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associations each had one vote and were equal in their rights, regardless of the size of their deposit.

Rephrasing the famous slogan "Trade Unions Are a School of Communism," we can say with much greater justification: "Credit unions in Russia were an excellent school of the true market." The board, elected annually at a general meeting, managed the current operations, decided to whom and how much to loan money, taking into account first of all the borrower's solvency. As a result, each member of the association was at the same time a creditor and a borrower, learned responsibility in handling his debt and how to competently manage his finances. Do we have less need for such schooling, and most importantly, for protection against inflation today, in our wild market? But where does one borrow money, if not from an organization or like-minded people when one needs to expand one's business or at least buy necessities....

[Antonov] Just a second, let me interrupt you: But what about Mr. Mavrodi and his Lenya Golubkov—did they not offer the same, and much more? And what will keep an "association member" from taking off for Paris after wrangling a loan from the fund?

[Yakovenko] We want to emphasize that a credit union is not a bank, let alone a commercial one; it is not going to conduct any financial operations not envisaged by our charter. A loan is issued only after careful scrutiny, against very serious collateral, up to guaranteeing it by property, and only to members of the cooperative-association (without quotes), and no one else. By the way, this also answers your question about the license. We do not need it, which is reaffirmed by the letter from the chief of the Central Bank of the Russian Federation's Main Administration for Novosibirsk Oblast. Regarding bank deposits—this, we think, does not need much comment either. Go ahead, choose one, take a risk. But where is the guarantee that a large bank will be interested in your modest capital and that "your" bank, of all others, will not go under? And will you be able to carry the interest? Quite possibly, having adopted the current extremely tight and not-too-substantiated budget, the government will issue a huge quantity of government bills of exchange, securities, and bonds. But have you received anything on the 1990 bonds that we all are familiar with?

As you can see, these are not simple question and answers. In turn, having emphasized that the initiators of setting up a credit union in Novosibirsk are people who are well known in the business world, who care about their reputation, let us also ask a few questions. Or rather, philosophize a bit. Yes, the "market reforms," conducted so clumsily and unprofessionally, have undermined trust in everything, including the "wise and eternal." But then kindly tell us, why is it that the "imperialists," whom we learned from childhood to see as enemies and predators, ready to cut each other's throats, are joining into the same kind of credit unions? Do they live worse than we do? Or do they not have enough banks? So why is it that almost 100 million persons on this planet have joined into credit unions? They are all over the place both in the mighty United States that we constantly hear about and in such minute—by our standards—countries as Ireland, where 30 percent of the population are credit union members. And in the Canadian province of Quebec, more than 90 percent of the population are members of people's mutual funds.

Thank God, as they say now, things have finally gotten moving in Russia as well. The draft law of the Russian Federation "On Credit Unions" is ready. Doctor of Economic Science Aleksandr Auzan, president of the International Confederation of Consumer Societies, emphasizes that this document has gone through numerous expert evaluations: international, domestic, and parliamentary. He also wrote in IZVESTIYA that in those regions where the administration realized that for the population the credit unions are a better solution than investing money in questionable financial gambles, things are going ahead. The first to adopt a statute on credit unions was the Vladimir Oblast council; then about 30 credit unions were set up simultaneously in Sverdlovsk Oblast. There are about 90 of them in Russia right now. So it seems it is time for the "Siberian capital" to get into it too.

[Antonov] So when can I bring my contribution?

[Yakovenko] We will announce it later. But do not "bring" anything. Come to the first meeting with, for instance, representatives of the consumer protection society or any other serious organization whose task is to watch out for citizens' interests, and with their help write a partial report.

[Antonov] Well, this is an interesting offer. We will only add that VECHERNIY NOVOSIBIRSK does not induce anyone to join anything—each investor must make his own choice: To have or not to have. If, however, as the "fathers of the idea" hope, credit unions unite and revive Russia, it would be a shame not to write about this sacred cause.

Economic Issues

Livshits: Major Banks Ready To Lend to Government

LD0305232495 Moscow ITAR-TASS World Service in Russian 1542 GMT 3 May 95

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[FBIS Translated Text] Moscow, 3 May—The proposal by a consortium of major banks, which was announced at the government meeting on 30 March, that they be assigned on trust part of the federal packages of shares in

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exchange for providing the government with very substantial amounts of credit has served as a kind of signal to other structures that want to be involved in this. This was stated at a news conference today by Russian presidential aide Aleksandr Livshits. "The latter are worried that the consortium will get trusteeship control over the 'tastiest morsels,'" he went on to say, adding that he regards such competition as quite normal.

Such a proposal was put forward for the first time back in October last year, and we supported the idea, Livshits continued. Now, he said, the specific terms of the agreement are being discussed. However, the fact in itself is important that for the first time during the years of reform major Russian banks are prepared to lend the government money in large amounts for a lengthy term. "It follows that something must have changed in the economy," the presidential aide considers.

Speaking of the implementation of the budget in the first quarter of this year, Aleksandr Livshits noted that the situation is satisfactory in the sphere of tax revenue but unsatisfactory in the sphere of foreign economic income. As for the situation regarding revenue from privatization, the presidential aide said that it was "a failure."

Aleksandr Livshits confirmed that it is envisaged that next year the attraction of credit from international financial organizations will be considerably more limited than this year. There is the question of whether there is really a need for such loans to stabilize the ruble, considering that the dynamics of the currency exchange rate in recent months has been fully predictable without any kind of stabilization credit, he noted.

The presidential aide also dwelt on the problem of customs dues. He announced that a resolution is being prepared that will lay down new customs dues "of no less than five per cent and no more than 30 percent for a considerable range, except for a few commodity groups." This in his view is definitely necessary, considering the forthcoming negotiations on admission to GATT. Such customs dues should be stable for some time, after which, as the economy adapts to them, it will be necessary to think again about the granting of customs privileges, "so that everyone doing something good might attain them." However they should be granted publicly and openly.

Bank Rejects State's Investment Instruction

MM0305150495 Moscow KOMMERSANT-DAILY in Russian 3 May 95 p 5

[Unattributed report: "Vneshtorgbank Gives No Money for Aircraft"]

[FBIS Translated Text] The Vneshtorgbank, one of the largest Russian banks, cannot allocate investment credits to the tune of $525 million in 1995-1998 to develop the air transport market in the country and to acquire Russian aviation equipment, since the terms of these credits "run counter to legislation and the practice of credit operations by commercial banks." The bank, in which the controlling package belongs to the state, has rejected a draft Russian Federation presidential edict prepared by the Air Transport Department of the Ministry of Transport on investment in Russian aircraft building, which provides for the allocation of these credits. Commenting on this decision, a Vneshtorgbank spokesman referred to the Russian Federation law "On Banks and Banking Activity," according to which the Vneshtorgbank, being a commercial bank, is independent of state organs in making decisions on the conduct of banking operations. The Air Transport Department has reported that the investment program drawn up by the department provides for the allocation of 1.2 trillion rubles from the Vneshtorgbank's credit resources this year for the purchase of new Russian aircraft and helicopters.

Government Action Urged on Coal Finances

MM0305140895 Moscow RABOCHAYA TRIBUNA in Russian 29 Apr 95 p 1

[Report by Gennadiy Lyulkin: "Chubays Crawled 200 Meters Underground. Such Is the Unexpected Result of Miners' Strikes. Fortunately, Not the Only One"]

[FBIS Translated Text] A distinguished party has assembled at the "Rosugol" company—nine doctors and 45 candidates of technical and economic sciences. The most important task which the Russian Government set before this supremely educated team is to carry out, in a "civilized" way, the restructuring of the coal industry. And this task is being fulfilled successfully, General Director Yuriy Malyshev reported at a press conference.

"We noticed that social tension arises when payment of wages falls behind by more than two months," Yuriy Malyshev declared. "Whereas on 1 September 1994 the average wage arrears amounted to three and a half months, today they have been reduced to one and a half months, and in individual associations even to one month."

Today funds from the state budget and from consumers are coming through regularly and on time. Even so, there is still not enough money. Malyshev pins emergence from the financial crisis on the government finding a way, after all, to channel a part of the Indian debt—$500 million—to meet the expenditures of the coal industry.

In Malyshev's opinion, the government and the president could loosen the financial noose by granting a privileged railroad tariff for the shipment of coal. The more so as there has already been such a precedent in the country's history.

This year the sector should get 7.5 billion rubles [R] from the state budget. At the same time it should pay out R3.5 billion to the state budget in all kinds of taxes. A paradoxical situation arises. The unprofitable enterprises receive a subsidy and at the same time make payments to the budget. The regularity and size of these

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payments depend entirely on the payments from the budget. And these, as we know, have not been coming through on time, nor in full. Consequently in many enterprises the payments into the budget in respect of fines and the penalties are of equal magnitude, Deputy General Director Georgiy Krasnyanskiy noted [sentence as published]. That is a typical example, which needs to be examined in detail at government level.

There is no joking with miners. So, in order to placate them at the time of the recent strikes Anatoliy Chubays and his team went crawling 200 hundred meters along the pit-face. But unless the government makes good its promises to the miners, it will have to go on "crawling" in the future. Life is like that.

Budget Receives More Revenue Than Expected

LD0305192195 Moscow INTERFAX in English 1549 GMT 3 May 95

[FBIS Transcribed Text] MOSCOW, May 3 (FIA-Interfax)—For the first time over the last four years the Russian federal budget will receive 3.3 percent more revenues in the first quarter than was planned. The size of foreign-debt payment exceeded foreign borrowings by 1.9 times, the Russian Finance Ministry and the Central Bank of Russia said in a joint press-release.

The federal budget in the first quarter will receive 32.1 trillion rubles in revenues with expenditures standing at 39.7 trillion rubles. The budget deficit, which is expected to be 5 percent of the GDP in 1995, was 7.6 trillion rubles or 3.3 percent of the GDP in the first quarter.

The inflation rate has begun to decrease. The cumulative consumer price index was 17.8 percent in January. In February it went down to 11 percent, in March to 8.9 percent. In April the index is expected to be about 8 percent.

Among positive tendencies, the Finance Ministry and the Central Bank noted the slowing down of the decline dynamics in the GDP to 5percent in January-March (against 17 percent in the first quarter of 1994) and the slowing rate of decline in the industrial output—to 4.5 percent (against 23 percent in January-March 1994).

The Finance Ministry and the Central Bank said the state had no debts in terms of wages and scholarships, financing national defense, law enforcement, state power structures, education, health care, culture and social security.

The Finance Ministry and the Central Bank of Russia said expenses on resolving the Chechen conflict were financed by budget assignments granted to the corresponding ministries without exceeding the fixed budget expenses for 1995.

Deputies Urge Effort To Draw Capital From Abroad

LD0305121695 Moscow Russian Television Network in Russian 1000 GMT 3 May 95

[From the "Vesti" newscast]

[FBIS Translated Text] State Duma Chairman Ivan Rybkin told journalists that a group of Russian deputies who are entrepreneurs and supporters of a market economy have proposed that a currency amnesty be announced in order to bring back Russian businessmen's capital from foreign banks. According to Rybkin, the outflow of capital from the country amounts today to $2-2.5 billion per month. All in all, during the past few years over $100 billion were taken out of Russia. The State Duma chairman also said that a package of laws will be passed soon which stipulates a reduction of the number of taxes from 28 to 10.

Jan-Mar Income Statistics Cited

MM0405102695 Moscow ROSSIYSKIYE VESTI in Russian 4 May 95 p 1

[Unattributed report: "Discrepancy in Incomes Grows"]

[FBIS Translated Text] The redistribution of the volume of the population's monetary incomes in favor of the high income groups is continuing in Russia. According to the figures of the Russian Federation State Committee for Statistics, in January-March this year the discrepancy between the incomes of the wealthiest 10 percent of Russians and the poorest 10 percent reached a factor of 13.6 as against 12.5 a year ago and 4.5 in 1991. The average per capita monetary incomes of 30 percent of the country's population in January-March were below the subsistence minimum.

Milk To Cost More Than Vodka By End of 1995

LD0405110295 Moscow 2x2 Television in Russian 1000 GMT 4 May 95

[FBIS Translated Text] Valentin Zhilinskiy, general director of the Mostorgkontrakt state enterprise, which was specially set up by the Moscow government to supply the city with food, has predicted that milk will cost more than vodka by the end of the year.

Presenting a report on Thursday at a sitting of the Moscow government, Zhilinskiy explained this by referring to the crisis situation as regards the supply of powdered milk to the city. There is none to be found in the state reserves, and the dairy plant will have nothing to do with it.

There is better news on the situation regarding potatoes, with which Kursk and Orel will continue to supply Muscovites, and regarding children's food. The problem of keeping Moscow supplied with meat is being solved largely by means of deliveries from Lithuania. Attempts to buy meat from Moldova ended in failure: it was condemned.

Ukraine will continue to supply us with tinned meat and evaporated milk, sugar, and sunflower oil.

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International Affairs

Preparations Complete for Clinton Visit

LD0305140495 Kiev UNIAR in Ukrainian 1200 GMT 3 May 95

[FBIS Translated Text] Washington—In the American capital, the Ukrainian Government delegation—consisting of Volodymyr Horbulin, secretary of the National Security Council under the president of Ukraine, and Kostyantyn Hryshchenko, deputy minister of foreign relations—has completed its work. They held a series of consultations as part of preparations for the forthcoming visit to Ukraine by U.S. President Bill Clinton and his negotiations at the top level in Kiev.

During a meeting between Volodymyr Horbulin with Ashton Carter, U.S. assistant secretary of defense, the sides discussed further expansion of cooperation between the two countries in military and political fields and U.S. financial and technical assistance for Ukraine in implementing conversion of the defense industry. These questions will be the subjects of discussion at the summit meeting in Kiev.

Yuriy Shcherbak, ambassador extraordinary plenipotentiary of Ukraine to the United States, took part in the work of the delegation.

Udovenko Views Relations With Russia, OSCE

AU0405075895 Kiev HOLOS UKRAYINY in Ukrainian 27 Apr 95 p 10

[Commentary by Foreign Minister Hennadiy Udovenko reprinted from the Foreign Ministry Journal POLITYKA I CHAS: "Not a Single Accord Will Work Against the Will of States"]

[FBIS Translated Text]

There Is Not and Will Not Be Any Return to the Past

Russia has been and will remain for us a "central constant" in any conditions and in any historical periods. It is an objective reality. It is history and geography. It is culture. It is humanitarian ties. Indeed, there are many factors that compel Ukraine to establish close good-neighborly relations with Russia on the basis of mutual respect and partnership. We have always stressed that, for us, relations with Russia are special relations. It is perfectly natural that Russia must also be interested in maintaining good-neighborly relations with Ukraine. There already exist certain indications that an understanding of this will gradually become more distinct in Russian policies.

However.... The development of this process is hampered by some factors, even though it is objectively to mutual advantage. What is the reason for this? One does not have to go too far to find it. It may lie primarily in the fact that historical cataclysms—the disintegration of the Soviet Union is precisely one such cataclysm—never occur painlessly. It is a normal phenomenon. Judge for yourselves, when generations of people in this country and earlier also in czarist Russia, were brought up on a rather specific interpretation of history, it is, undoubtedly, no simple matter for them to reverse their understanding of the historical process, comprehend the present realities, and realize that the present situation is essentially different from the one in 1990 or in 1920. It always takes time.

With regard to the opinion prevailing among the Russian political elite that Ukraine will, sooner or later, return to Kremlin control, this assertion is too categorical. Right, such moods are typical of certain political circles in Russia. We do not turn a blind eye to that. At the same time, we also see that within the Russian Government and in the Russian political establishment in general there is growing understanding that, no matter what, relations with Russia must be built on new principles and that there is no way back. It is, indeed, impossible to step into the same stream twice.

Some Moscow politicians keep saying "reintegration." I personally do not like the prefix "re-" in this term. Because now precisely these two letters have an excessively large political significance. To one degree or another, it affects the attitude toward this issue on the part of various parties and currents of public opinion in Russia, Ukraine, and other former Soviet republics. Why?

Until there is single political will as a cementing factor and similar understanding of national interests by every CIS country, it is still premature to speak of unions, functioning unions on the territory of the former USSR.

The political and national interests of every state, interests that are understood in a somewhat new way as the situation on the territory of the former Union develops, lead these states to somehow specify such interests and thereby determine for a particular country those limits, degree, and scope to which it is ready to participate in both the CIS and other subregional associations. Undoubtedly, unless there is conscious national will of states to join, for political reasons, either a union or some other association, such formations will not "work."

It is known that more than 500 accords have already been concluded within the framework of the CIS. How many of them really work? Few. Very few. This is not because the accords themselves are defective. The reason here is in that the interests and the will of the states that are signatories to these accords are the key factor. Not a single accord will work against this will and these interests.

A Turning Point in Relations

The West's commitment to promote Ukraine's steady development in the direction of transition to market tracks of economic management is a political factor in the contemporary European situation. This is stated in the bilateral documents that Ukraine signed with the United States and Canada. This can also be seen in our

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relations with Germany and the countries of central and eastern Europe. This is also reflected in multilateral documents. Including those signed with NATO.

The North Atlantic alliance recently expressed its readiness at an official level to work with Ukraine on the development of relations, special relations. Even outside the frameworks of those programs or structures of which Ukraine is a member. Outside the framework of the "Partnership for Peace" or of the Council of the North Atlantic alliance. This is already something concrete, a concrete political will. It is still too early to say what specific forms this cooperation will acquire. These forms are presently in the process of creation and the corresponding documents are being drafted. Willingness on the part of leading Western countries to support Ukraine at this turning point in its history is an actual fact.

I would like to point out that the assistance that Ukraine is currently receiving from leading Western financial institutions is important support, which is mainly material and may therefore also be regarded as political. It will be no exaggeration to say that this is an indication of an obvious change in the Western attitude toward Ukraine, one that has been felt since the end of last year. We hope that this process will gradually intensify and will acquire new forms.

We Are Still Too Far From Having a Common Point of View

The decision has been made for all the OSCE member states now to work—in the conceptual meaning of the word—on the creation of some model of a future general European Security architecture that would be common to all. However, frankly speaking, we are still too far from working out a common point of view.

Even within the framework of the OSCE, individual regional groups have their own approaches. Individual approaches are also typical of certain countries. In any case, this issue is not generally a simple one. To some extent, it affects the interests of all the states on the continent. Not all of them have properly adjusted to the situation that took shape after the radical geopolitical shift had taken place at the turn of the 1980s and 1990s in this very sensitive part of the world's security architecture—in Europe. The bipolarity has disappeared. However, one cannot assert that multipolarity has replaced it. In one way or another, there have now appeared trends indicating that, if not a new edition of the world's bipolarity in forms known to us has become possible, then at least some things suggestive of this. On the other hand, trends toward establishing multipolarity even in our small "European home" are becoming obvious. It is now extremely difficult to tell how the interests of the OSCE member states will be coordinated in a future all-embracing security system and what such a system will be like.

Besides, a certain selfishness of the already existing structures and the lack of political will to unite on principles proclaimed in the Paris Charter for a New Europe make themselves felt. There also exist numerous other problems.

As the Germans say, the devil always hides in details. Generally speaking, all the OSCE member states have agreed that European security must be integral. It must be comprehensive and based upon recognized norms and principles. Nobody argues with this. Yet, when it comes to practice and to implementing these principles in concrete accords, various problems emerge.

At the same time, Ukraine proceeds from principles listed in the Paris Charter for a New Europe. This is not a declaration. It is our conscious position, which we have defended and will continue to defend. In our opinion, one of the most dangerous variants in the development of the situation in Europe may be a threat of restoration if not of a confrontation, then of a certain counterbalance between the existing security structures in new historical conditions. Theoretically, between the Tashkent Treaty and NATO.

Ukraine, which, let me remind you, has stated its intention to become a neutral state that does not participate in military alliances and follows the development of European processes in this direction with great attention. Therefore, a situation that may arise from NATO's expansion to our western borders cannot be considered desirable from the point of view of our country's national interests.

As it appears to us, a suitable model for a future European security system should not be sought in some hierarchy of the already existing structures. It is necessary to find mechanisms of their cooperation, interaction, mutual dependence, and division of the spheres of responsibility. It is always extremely difficult to agree on who is first and who is last. It is easier to coordinate who is in charge of what.

In our opinion, the OSCE is a very important instrument of preventive diplomacy. Here, it already has a certain experience and certain mechanisms. Even the geographical scope of this structure makes it possible to use it most efficiently as a structure capable of preventing conflicts or of settling them in their early stages. In my opinion, it is precisely in this direction that search for the OSCE place and role in the future architecture of European Security must proceed.

In any case, Ukraine does not see itself outside this architecture. This is what we think: To expect today that some European country, whether powerful or not so powerful, is capable of guaranteeing its own security exclusively on its own is unrealistic and far-fetched. It follows from the present trends of world policy that the most reliable—in the external aspect—guarantees of a state's safe existence should be sought in collective international structures. Time will show what they are going to be like.

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Udovenko: UN Decision on Croatia Withdrawal 'Groundless'

LD0305180295 Moscow INTERFAX in English 1540 GMT 3 May 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] ROME, May 3 (Interfax-Ukraine)—The Ukrainian Foreign Minister Hennadiy Udovenko has called unexpected and groundless the decision of the UN leadership on the withdrawal of the Ukrainian battalion from Croatia.

The battalion is part of the UN peacekeeping force. Commenting on the decision at the request of Interfax-Ukraine Udovenko stressed that it was made without any consultations with the Ukrainian side. He stressed that the UN Secretary General praised many times the Ukrainian peacekeepers in the former Yugoslavia.

There are two Ukrainian battalions totalling 1,500 men in the former Yugoslavia at the moment: in Croatia and Bosnia.

Foreign Ministry 'Concerned' Over Croatia

LD0305113195 Moscow INTERFAX in English 1008 GMT 3 May 95

[FBIS Transcribed Text] Kiev, May 3 (Interfax-Ukraine)—Ukraine is concerned over the sharp worsening of the situation on the territory of Croatia which is caused by resumption of hostilities along the ceasefire line in Western Slovenia, says a statement of Ukraine's Foreign Ministry handed to Interfax-Ukraine on May 3.

The statement underlines that "Ukraine condemns rocket strikes against Croatia's capital, Zagreb, and other cities which caused numerous victims among the civil population."

The document points out that Ukraine opposes coercive measures in resolving problems on the territory of the former Yugoslavia. Ukraine's Foreign Ministry expresses concern due to possible transfer of the conflict to Bosnia's territory which, as the authors of this statement believe, "will finally undermine hopes for the resumption of a truce between the warring parties."

"Ukraine's Foreign Ministry addresses political leaders and the peoples of the conflicting parties with a persistent appeal to demonstrate political wisdom and restraint," the statement says.

Rotation of Battalion in Former Yugoslavia Postponed

LD0405095595 Kiev UNIAN in Ukrainian 0905 GMT 4 May 95

[FBIS Translated Text] Kiev, [no date as received]—The rotation of the 60th Ukrainian Battalion of the UN Peacekeeping Forces in the former Yugoslavia, which had been planned for 11 May, has been postponed because the situation between the warring sides has intensified, UNIAN learned from the Ukrainian Defense Ministry's press service on 4 May.

According to the Ukrainian Defense Ministry, the leadership of the UN forces has not yet adopted a final decision on withdrawing the second Ukrainian "blue helmet" battalion from Croatian territory. The Ukrainian peacekeepers, whose headquarters are in the town of Glina, which is occupied by the Krajina Serbs, are continuing to fulfill their mission. For the moment their lives are not being threatened.

According to information from Croatia, the leadership of this Balkan country has decided to regain by force the territory occupied by the Krajina Serbs. The latter have responded by firing missiles at Zagreb and other towns.

Willingness To Contribute to Peacekeeping

LD0405100595 Kiev UNIAN in Ukrainian 0905 GMT 4 May 95

[FBIS Translated Text] New York, [no date as received]—Ukraine is prepared to play an active part in regulating the conflict on the territory of the former Yugoslavia by using its own peacekeeping forces. This was stated by Volodymyr Horbulin, presidential adviser on national security issues and secretary of the National Security Council under the president of Ukraine, during a conversation with Kofi Annan, assistant UN secretary general on 3 May.

The UN representative was given a statement from the Ukrainian Foreign Ministry on the situation in the Republic of Croatia.

The United Nations made a decision to withdraw part of the Ukrainian contingent from the "hot spots" without consulting Ukraine.

Kuchma Reaffirms Russia as Strategic Partner

LD0305214895 Moscow ITAR-TASS in English 2027 GMT 3 May 95

[By Aleksey Bukalov]

[FBIS Transcribed Text] ROME, May 4 (Itar-Tass)—"Russia was, is and will be Ukraine's strategic partner. Our relations are centuries old," Ukrainian President Leonid Kuchma said.

Speaking at a press conference in Rome on Wednesday [3 May], Kuchma, who is in Italy on an official visit, said "these relations should not develop to the detriment of our ties with other countries. We have much in common in our approaches towards the Western world. For example, both Ukraine and Russia are interested in modern technologies and access to scientific achievements."

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On NATO's expansion plans, Kuchma said "Ukraine is against a hasty enlargement of the North-Atlantic Alliance. This is a long process. Besides, the countries which want to join NATO are on absolutely different levels of economic development."

He stressed the need to take into account Russia's interests. At the same time, the president pointed out that no country can have the right of veto on issues connected with admission to NATO. These issues lie solely within the jurisdiction of the North-Atlantic Alliance and those countries which are seeking its membership.

"I do not want Ukraine to be on Europe's division lines. We need not build a new 'Berlin Wall' and should instead find mechanisms of cooperation and understanding," Kuchma said.

The Ukrainian leader said he had talked with his Italian partners about the need to support economic and democratic reforms in Russia, adding that his approach was met with understanding. "The whole sober-minded world is interested in the success of reform in Russia and does not want politicians like Zhirinovskiy to come to power in Moscow," he said.

Kuchma Comments on First Day of Visit to Italy

LD0305192295 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 3 May 95

[FBIS Translated Text] The attitude toward Ukraine in Italy is marvellous and, most importantly, in contrast to the declaration of success in our foreign policies as has been characteristic of the years before, these relations should be meaningful and, among other things, traffic should move in both directions on the road between Ukraine and Italy, Ukrainian President Leonid Kuchma told correspondents, commenting on the results of the first day of his official visit to Italy.

We can see in Italy the real desire both at state and entrepreneurial level to cooperate with us, the president added.

Asked about his conversation tete-a-tete with Pope John Paul II in the Vatican, which lasted over an hour, Leonid Kuchma was laconic: We understood each other, the president said.

Friendship, Cooperation Treaty Signed

LD0305195295 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 3 May 95

[FBIS Translated Text] Today in Rome, Ukrainian President Leonid Kuchma and Italian Prime Minister Lamberto Dini signed a friendship and cooperation treaty, a first in the history of bilateral relations. The document envisages the practice of regular consultations between the two countries' governments on topical international policy issues and active participation by Ukraine and Italy in world community efforts to maintain peace and security.

Udovenko Seeks Vatican Support for Democratic Reforms

LD0305114695 Moscow INTERFAX in English 1008 GMT 3 May 95

[FBIS Transcribed Text] ROME, May 3 (Interfax - Ukraine)—Ukraine hopes for the support of its democratic reforms by the Roman Catholic church, Ukrainian Foreign Minister Hennadiy Udovenko told Interfax - Ukraine following the meeting of President Leonid Kuchma and Pope John Paul II.

"Relations with the Vatican are of great practical and political significance for us considering the great number of Catholics in our country. We also know about the important contribution of the Pope to the efforts to strengthen peace," the minister said.

Kuchma said after the meeting that he did not discuss the date of the Pope's possible visit to Kiev. The president was very impressed with his conversation with the Pope. "He is a very interesting person and understands you immediately," Kuchma said. He stressed that the meeting with the head of the Roman Catholic church lasted for over an hour.

National Affairs

Presidential Edict Establishes State Treasury

LD0405081695 Kiev UNIAR in Ukrainian 0720 GMT 4 May 95

[FBIS Translated Text] Kiev—A Ukrainian presidential edict on measures to tighten financial discipline during the implementation of the Ukrainian state budget is being prepared for publication. In particular, it has been established that draft legislative acts, the implementation of which requires additional expenditure from the state budget or a reduction in budget revenues, are to be passed to the Supreme Council of Ukraine on the basis of decisions of the Ukrainian Cabinet of Ministers exclusively by the Ukrainian president.

By edict of the Ukrainian president, a Ukrainian state treasury is being set up under the Ministry of Finances of Ukraine. The main task of the newly set up body is to organize and supervise the implementation of the state budget.

Faction Leaders' Positions on Crimean Referendum

WS0405112395 Kiev KIYEVSKIYE VEDOMOSTI in Russian 27 Apr 95 p 3

[Report by Serhiy Rakhmanin: "The Crimean Issue Will Be Discussed Today. Or Will It?"]

[FBIS Translated Text] The decision by the Crimean parliament to hold a nationwide referendum on 25 June was bound to raise emotions among the deputies. So, it did not come as a surprise that during discussions on

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next week's agenda, the Crimean issue was raised in the very first report (delivered by Mykhaylo Kosiv, member of the Presidium and a representative of the Rukh faction). Pavlo Movchan, one of the "Statehood" legislative faction's leaders, used the strongest language, demanding a final decision on Crimea's autonomous status, which has exhausted all of the credit that it received in the past.

[Supreme Council Deputy Chairman] Oleksandr Tkachenko, who chaired the meeting, promised that the Crimean issue will be examined on Thursday [27 April] when a group of Ukrainian deputies led by Yuriy Karamzin returns from the autonomous republic. Most of his colleagues treated this statement by the first deputy speaker as a very logical and tactical move. The deputies perfectly understand that no decisions will be made regarding "sore" issues—particularly the Crimean one—while Supreme Council Chairman Oleksandr Moroz is out of the country. Unless something extraordinary happens.

Volodymyr Marchenko, one of the legislative left-wing leaders, does not rule out the possibility of an emergency situation. He believes, however, that Crimean legislators will hear their verdict only after the Ukrainian leadership reins are once again in the hands of Oleksandr Moroz. "Oleksandr Oleksandrovych [Moroz] has learned how to 'ram through' his decisions. His deputies have not mastered this ability so far, because it requires everyday practice. It seems to me that neither Tkachenko nor Demin will not want to submit this issue for discussion, for fear that the debate will get out of their control. Although one of them could venture such a move to strengthen his authority.

"It is a fact that actions taken by the Crimean Supreme Soviet, in particular its decision to hold a nationwide referendum, run counter to Ukrainian legislature. It is also a fact that Crimea is an inalienable part of Ukraine. I would not, however, make hasty decisions. Acting as one alliance, the left- and right-wingers have already made one hasty decision, and we are now suffering all of its consequences. Some fear that the situation can repeat itself and the Ukrainian parliament will soon dissolve its Crimean counterpart."

Ivan Zayets, one of the Rukh faction leaders, is almost sure that no decisions will be made on Crimea before the following session week (that is until 16 May). Here is the reason for such confidence: The absence of the president and legislative speaker from the country and the curtailed composition of the legislative corps. In the opinion of Zayets, what may happen at most on Thursday is the possibility that deputies will be presented with Karamzin's report. As for the recent decisions of the highest legislative body in Crimea, the "last question put to a vote about union between Russia, Ukraine, and Belarus is clearly intended to drum up support for [Crimean Supreme Soviet Chairman] Tsekov on the part of his team of Ukrainian communists. Nonetheless, the left-wingers will vote in a different way. Tkachenko, for example, is inclined to disband the Crimean legislature."

The soul of Viktor Merkushov, leader of the "Unity" faction, is torn by internal struggle: On the one hand, he is for a balanced decision that would reject hastiness; on the other hand, it is dangerous to postpone such a decision until 16 May. The former Dnepropetrovsk mayor believes that the parliament made a reasonable and sober decision by rescinding the "self-enamored" Constitution of the peninsula and removing the Crimean presidency. But the lack of resolve of the executive branch has complicated the situation. "The Supreme Council [of Ukraine] and the president are looking at each other, waiting to see who will react first. Leonid Danylovych [Kuchma] will definitely not react before 9 May, though. The Supreme Council, however, may be confronted with the need to declare the Crimean parliament untenable," Merkushov noted.

Concern Over Delay in Reporting Nuclear Accident

LD0305135095 Kiev UNIAR in Ukrainian 1200 GMT 3 May 95

[FBIS Translated Text] Nikopol, Zaporozhye Region—Approximately 200 cubic meters of a radioactive aerosol gas mixture was discharged during maintanance work on 20 April 1995 from the reactor's first circuit under the sealed casing at the Zaporozhye nuclear power station's [NPS] first generating set. The emission was rated as Class One in terms of safety and this caused panic among the maintenace and service staff.

The leadership of the public committee for ecological safety was informed of this incident only after a week and then only from unofficial sources. In connection with this, the chairman of the public committee, Kryvchyk, asked the chairman of the Nikopolskiy town council to examine a report from the civil defense chief about providing information to the town's populace and adopt a relevant decision at its session.

"The tendency to keep silent about such information on the part of the adminstration of the Zaporozhye NPS could lead to our population learning about possible accidents at the Zaporozhye NPS, similar to the one at the Chernobyl NPS, only after it is too late to undertake any rescue measures."

Scientist Sees 'Great Hazard' From Chernobyl

AU0305111895 Kiev UKRAYINSKA HAZETA in Ukrainian 27 Apr-11 May 95 No 9 (74) p 8

[Article by Academician Ihor Yukhnovskyy, Ukraine's people's deputy and UKRAYINSKA HAZETA political columnist: "Alarming Processes Within the 'Sarcophagus.' The Situation at the Chernobyl AES Is Really Complicated and Dangerous"]

[FBIS Translated Text] At present, the problem of the "sarcophagus" and of the Chernobyl Atomic Electric

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Power Plant [AES] fourth power unit is no longer a matter of concern for Ukraine alone, but for the entire world. The accident there produced very high temperatures (about 2,100-2,200 degrees centigrade). Let us recall: It transformed 190 metric tons of uranium, a considerable amount of highly radioactive spent uranium that had been contained in the lower parts of the unit, and also graphite, zirconium, sand, dolomite, and other substances into glassy magma. This magma filled the lower part of the fourth unit and its premises beneath the reactor, having created a gigantic so- called "elephant leg."

Over the years following the accident, the entire information pertaining to the state of the magma was the monopoly of the Moscow Kurchatov Institute. The Ukrainian Academy of Sciences had no access to it. A paradoxical situation took shape when the collective supervised by the leadership of the aforementioned institute was actually to blame for the accident, and the post- accident period at the Chernobyl AES was also under the control of that institute. Ukraine was reassured by a conclusion that the alloy created as a result of the accident was in the so-called subcritical state, in other words that the density of its neutron field was so low that a possibility of a chain reaction could be ruled out.

It was only much later that Ukraine's own organization "Ukryttya" [Shelter] was created. It began to study in detail and comprehensively all aspects of the various processes within the "sarcophagus." The processes are quite alarming. In order for the magma to cool down, water had to be poured on it all the time. As a result, the temperature of the magma was brought down indeed and does not now exceed 60 degrees centigrade. Everything might seem to be fine. However, another quite dangerous circumstance has arisen. Vigorous condensation of atmospheric water is under way within the huge concrete cylinder of the fourth power unit. Water poured upon the magma is also added to it. Previously, it evaporated under the effect of the high temperature, but now it flows down. As a result, more than 50,000 metric tons of water have already accumulated around the "elephant leg."

Its interaction with the magma holds a great hazard. The point is that, during the encounter between the water and the radioactive magma, gamma-radiation is released causing the water to hydrolyze. The water molecule breaks up into the OH group and hydrogen. Hydrogen escapes and undergoes molization. When two hydrogen atoms form a molecule, excess energy occurs, and this energy passes into the kinetic energy of that molecule. The latter flies at a great velocity, and, as a result of molization of the atomic hydrogen, molecular hydrogen gas forms and pushes everything it encounters on its way with great force.

Besides, strong interaction of atoms of transuranium elements with water itself also takes place. They form hydroxides with a large number of OH groups. This is accompanied by a vigorous release of hydrogen. This hydrogen also undergoes molization and presses upon all obstacles. As a result, the magma turns into a sponge. The process of hydrogen molization and of the interaction of uranium and transuranium elements with water accelerates and becomes increasingly vigorous. This, in turn, leads to progressively faster disintegration of the magma proper.

The emergence in the water of hydroxides of various uranium elements—thorium, americium, and others—is also very dangerous. These formations tend to combine together—coagulate. As a result, there form chains (of polymer compound type) of hydroxides of transuranium elements, and this may lead to great complications. Here is what happens. The critical mass of such elements as americium and curium is very small—just 1 or 1.5 grams. That is why these processes must be continuously monitored.

In general, there presently are two problems with the fourth power unit: The creation of radioactive dust and the interaction between the magma and water. They must be studied. It is essential that the pulp resulting from the magma disintegration be brought to the surface, because the amount of water will gradually increase as also the amount of dissolved elements that have fallen out as sediment.

So far, nobody knows when precisely the critical moment will occur, but there is no doubt that it will, eventually, occur.

Ukraine is presently unable, on its own, to manufacture implements with which to draw this liquid to the surface and isolate and sort out the elements comprised in it. However, everybody must know that similar waste that had been dumped into a lake near Chelyabinsk [in Russia] caused an atomic blast. It is not hard to figure out what this may lead to in the vicinity of three functioning AES power units.

The Kiev association of scientists "Derzhavnist" [Statehood] draws the attention of the Ukrainian president and of the entire world community to the need to create a joint world Chernobyl laboratory that would study all the processes at the site of the atomic catastrophe. On the one hand, they present danger and, on the other, are extremely interesting from the scientific point of view, since the magma that formed at the fourth power unit has no analogues anywhere on the earth's surface.

The aforementioned processes concern the reactor itself, the magma that formed there, the remains beneath "sarcophagus" No. 1, problems of building "sarcophagus" No. 2, and biological changes that are under way around Chernobyl. There have been various rumors, more specifically fabrications, on how nature behaves within the 30-km zone. As though animal mutations take place there. Unfortunately, the picture there is much more modest and grim. Everything that used to live there has already died. New animals walk in there and perish. In other words, a kind of "black hole" formed there, but

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not in space—at the surface of our planet, and it must be under constant scientific observation on a world scale.

Ukraine, unable, for a number of reasons, to conduct the full range of studies of all aspects of the problem on its own, but possessing enormous factual material of various type and highly qualified specialists, who deal with different problems of the Chernobyl problem, might be a good basis for a world laboratory. Scientists from different countries might arrive and work here, provided that the world community undertakes to pay their travel expenses and salaries.

Certainly, there may also be a different attitude toward our Chernobyl disaster. Well, Ukrainians are sufficiently intelligent and prudent people. They will not want such a catastrophe to recur and will do everything necessary to prevent it. Let us leave them to their own devices and let them do everything they want. Of course, the Ukrainians do and will do everything to prevent another accident. They will be compelled to close down the Chernobyl AES reactors, especially the third—dangerous—one. Nor can it be ruled out that the Ukrainians will be short of time and funds.

When the situation approaches critical, everybody will rush to help, but it will be too late. It is therefore worth seriously considering the creation of a world research proving ground for preventing a planetary disaster. It will only be possible to calm down when green meadows sprout in the place of the present Chernobyl AES, especially in the place of its fourth power unit.

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Belarus

Lukashenka: Minsk Ready For Integration With Moscow

LD0305203695 Moscow INTERFAX in English 1942 GMT 3 May 95

[FBIS Transcribed Text] PROKHOROVKA, BELGOROD REGION, RUSSIA, May 3 (Interfax)—Belarus is prepared for the closest possible integration with Russia, Belarussian President Alyaksandr Lukashenka told Interfax. He arrived at the village of Prokhorovka, Belgorod Region, Wednesday [3 May] for the presentation ceremony of a new monument in memory of those who died in the largest tank battle of World War II on July 12, 1943.

Lukashenka believed that 80 percent to 90 percent of the Belarussian population would support closest possible integration with Russia and making Russian a state language in the May 14 referendum.

He said, however, that integration is chiefly up to Russia. Lukashenka complained that Russia owed Belarus nearly 300 billion rubles for defense production.

He intends to discuss this and other issues at his meetings with Russian President Boris Yeltsin to be held "very shortly."

Asked about the possibility of Russia, Ukraine and Belarus uniting in one state, Lukashenko said that this depends on the peoples of these countries. If this issue is left for statesmen to handle, the probability of a union is very low, he said.

Russian First Deputy Prime Minister Oleg Soskovets also arrived in Prokhorovka Wednesday. He attended the opening and consecration ceremony conducted by Moscow and All Russia Patriarch Aleksiy II of the Church of St. Peter and Paul, the Victory Monument and Prokhorovka Tank Battle Museum.

Veterans Condemn Plan for National Referendum

WS0405100295 Minsk BELAPAN in English 0900 GMT 4 May 95

[FBIS Transcribed Text] The Belarusian Democratic Association of Veterans has condemned Alyaksandr Lukashenka's initiative to hold a national referendum on the matters of state symbols, state languages, integration with Russia, and the possibility of dissolution of the new Supreme Soviet. In the relevant statement of the association it is pointed out that the holding of a referendum on these matters is not necessary with taking into consideration the state of affairs in the economy. Moreover, the referendum will aggravate the general economic crisis. Having absorbed millions of rubles from the state budget, the referendum, in the opinion of the authors of the statement, will undermine the foundations of Belarusian statehood, will become an insult to the historical symbols of Belarus and the Belarusian language. "At present, the nation is waiting for a constructive work from the president, not actions aimed at a split in society, which can be provoked by the referendum," the statement reads.

Commissions To Mark Referendum Ballots

WS0405081695 Minsk Radio Minsk Network in Belarusian 0300 GMT 4 May 95

[FBIS Translated Text] To avoid any falsification of ballots for the national referendum, the Belarusian Central Commission for Holding Referendums has deemed it necessary to instruct local polling stations to have at least two members of their respective polling commissions sign the back of each ballot.

Bank Obeys 'Tough Demand,' Reduces Credit Rate

WS0405081795 Minsk Radio Minsk Network in Belarusian 0300 GMT 4 May 95

[FBIS Translated Text] According to the Sociopolitical Information Office in the Belarusian Presidential Administration, the president—at a Cabinet of Ministers' meeting—put forward a tough demand to hold a meeting of the Belarusian National Bank Board and to adopt a decision to reduce the discount credit rate from 25 percent to 15 percent. The president believes the current 25- percent discount rate does not provide genuine opportunities for the state and is not appropriate given the level of inflation, which has gone down twice over the past two months.

The president's demand has been unconditionally fulfilled at an expanded meeting of the Belarusian National Bank Board, in which Prime Minister Mikhail Chyhir also participated.

Twelve Oil Enterprises To Join SlavNeft Company

WS0305125695 Minsk Radio Minsk Network in Belarusian 1000 GMT 3 May 95

[FBIS Translated Text] Twelve Belarusian enterprises providing oil products will be incorporated into the SlavNeft Russian-Belarusian oil-and-gas company in the near future, said a representative of the company to the Oil Information Agency. According to him, this agreement was reached during negotiations between the company leadership and the Belarusian Government. As a result of working meetings of SlavNeft representatives with Belarusian President Alyaksandr Lukashenka, Prime Minister Mikhail Chyhir, and heads of a variety of Belarusian departments, a working group comprising SlavNeft experts and Belarusian Government representatives was established. This group should outline a procedure for including oil producing enterprises—from Brest and Gomel Oblasts—in the SlavNeft company within a month. The general demand for oil products in

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these oblasts is some 3 million tonnes per year; this is 37 percent of the total Belarusian demand for oil products.

Natural Gas Price Reportedly Raised 'Five-Times'

WS0405112595 Minsk BELAPAN in English 1000 GMT 4 May 95

[FBIS Transcribed Text] According to a source in the government circles, on 15 April, the Cabinet of Ministers raised the price on natural gas by five times. Now 1,000 cubic meters of gas cost 412,500 rubles for the public and 920,100 rubles for enterprises and organizations.

Moldova

Parliament Speaker Opposes Lebed's Removal

LD0305123395 Moscow Russian Television Network in Russian 1000 GMT 3 May 95

[From the "Vesti" newscast]

[FBIS Translated Text] Moldovan Parliament Chairman Petr Luchinskiy believes that the removal of General Lebed from the command of the 14th Army could have negative consequences for the Dniester Region. In an interview to the newspaper NEZAVISIMAYA MOLDOVA, Luchinskiy explained that it is possible that without Lebed the army's arms and ammunition arsenals might be pilfered.

Lebed To Decide on 'Fate' After Victory Day

LD0305132695 Moscow ITAR-TASS World Service in Russian 1216 GMT 3 May 95

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[FBIS Translated Text] Chisinau, 3 May—"The head of the well-adjusted body of army management is to be chopped off." This is how General Lieutenant Aleksandr Lebed described the directive on reform of the management of the 14th Army, which was received today.

In an interview with an ITAR-TASS correspondent, Lebed said he was convinced that the directive would "impair the combat readiness of Russian troops stationed in the conflict zone—in the Dniester Region of Moldova."

Concerning his own fate, Aleksandr Lebed stressed he will decide after Victory Day, "to avoid spoiling his holiday."

As ITAR-TASS Moscow correspondent Anatoliy Yurkin learned from Nikolay Malyshev, chief of the Russian land forces press center, the essence of the minister's directive lies in changing the structure of the over 200-strong staff of the 14th Army. This is because in connection with the consistent reductions in the 14th Army, its total number is now near the statutory stregnth of a small division.

Colonel Malyshev also said that Alekandr Lebed had been given a choice of several posts to continue his service.

In an interview with the ITAR-TASS correspondent in Chisinau, Moldovan Prime Minister Andrei Sangheli let it be understood that the authorities of the republic do not want to see Aleksandr Lebed go as the commander of the 14th Army. "If Lebed had been the commander of the 14th Army since the beginning of the 90's," Sangheli said, "he would not have allowed the plundering of the army arsenals and depots. The law enforcement bodies would not have had to carry out risky operations for the confiscation of thousands of weapons, which since the armed conflict in Dniester Region have been circulating throughout the Moldovan territory and beyond."

Snegur: Moldova Will Never Unite With Romania

LD0305125795 Moscow Mayak Radio Network in Russian 1100 GMT 3 May 95

[FBIS Translated Text] Moldova intends to be the first of the CIS countries to join the Council of Europe—by July. Moldovan President Mircea Snegur said this in an interview to the Japanese newspaper NIHON KEIZA. He stressed that Moldavia will never unite with Romania, although both states share a common language and culture. Although some of the opposition favor the unification of the two countries, Moldavia intends to retain its independence and to develop bilateral humanitarian and economic relations, Mircea Snegur said.

President To Nominate Executive Bodies in 50 Locals

AU0305125995 Chisinau INFOTAG in English 2030 GMT 2 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 2/5/1995—In over 50 localities, last Sunday's repeated local elections were attended by less than half of the registered electorate, and, hence, they will be announced null and void, INFOTAG was told in the Central Election Commission.

The repeated voting was held in 273 localities, with valid voting results registered in 149 of them. Mayors (primars) were elected in 30 towns and 237 villages.

The worst result has been registered in Chisinau: If only 35 percent citizens came to polling stations on April 16, a much poorer attendance was shown last Sunday at the repeated voting: 18 percent.

Under the Law on Local Elections, in localities where repeated voting is considered null and void, the President shall appoint local executive power bodies and mayors by his decree.

Alliance Leader on FPCDM's 'Political Immaturity'

AU0405065695 Chisinau INFOTAG in English 1822 GMT 3 May 95

[FBIS Transcribed Text] Chisinau, INFOTAG, 3/5/1995—The unification of the Alliance of Democratic

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Forces with the Christian Democratic Popular Front of Moldova [FPCDM] did not take place due to the political immaturity of some front leaders, Valeriu Matei said at the press conference Wednesday [3 May].

He stressed that this applies not to the entire Popular Front, but only to several of its leaders "who have demonstrated their political infantility and took a wrong position towards the local elections by having refused to take part in them".

"The process of unification of democratic forces is not over yet, and negotiations with the Popular Front concerning our possible merger are under way, but no Front's response reaction has followed, so far."

He said that some Front leaders allow a liberty to 'publicly bite' the Alliance, but the latter does not care very much about the bites.

"Instant emotions should not prevail over political realism", he said, and expressed hope that "sooner or later, the realism will triumph—even in the Popular Front".

Background Information: The Christian Democratic Popular Front is the republic's only political formation overtly struggling for unification of Moldova and Romania. The United Democratic Congress, which united several small parties under one political roof, was established by former ideologists of the Popular Front, including Valeriu Matei. They have comprehended that the idea of unification with Romania fails to find population's support, and have decided to found a 'moderate unionists' party. None of the political parties in the Alliance have the unification with Romania as their program task, but all of them consider the unification 'a logical conclusion of the process of integration and close cooperation' between the two countries.

The Popular Front has nine, and the Alliance 11 deputies in the Moldovan Parliament of 104. The twenty form the irreconcilable opposition in the forum.

CE Sees Dniester Conflict as Obstacle

AU0305123895 Chisinau INFOTAG in English 2030 GMT 2 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 2/5/1995—Moldova's admission to the Council of Europe [CE] will be considered at the session of the CE Parliamentary Assembly this late June, INFOTAG was told by Dumitru Diacov, chairman of the parliamentary Foreign Policy Committee. He participated in the Assembly sitting last week at the head of a Moldovan parliamentary delegation.

Diacov said that the main report on the situation in Moldova, to be presented by Lord Finsberg, is ready, and it contains positive recommendations. A positive attitude has been shown also by the CE Committee on Relations with European Non-Member Countries. "The CE Committee on Rules of Procedure, which is also expected to present its attitude to the issue, has some propositions about improving the Moldovan legislation and bringing it into line with European norms. This implies, in particular, cancellation of death penalty, changing the status of the Prosecutor General's Office, and some other issues, with all of them quite solvable in the framework of the current legal reform," Diacov said.

He stressed that there are certain difficulties with the unsolved Dniester dispute, because some members of the Council of Europe have apprehensions lest the problem should remain unsettled. "However, this should not become an obstacle for republic's admission to the Council of Europe. We have demonstrated the firm intention of the Moldovan leadership to solve any problems by using exceptionally peaceful, political means. Besides, the Council of Europe is concerned about Russia's position on the issue and about the State Duma's recent resolution with regard to the Russian 14th Army. These developments indicate that the problem solution lacks progress due to Russia's interference, too," Dumitru Diacov said.

Gagauzia Regrets Initiative To Rename Official Tongue

AU0305120095 Chisinau INFOTAG in English 2030 GMT 2 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 2/5/1995—Gagauzia is showing a negative attitude to President Snegur's initiative to re-name Moldova's official language back to Romanian, though it believes that such an amendment in the Constitution cannot influence drastically the situation in the southern region, INFOTAG was told by a Gagauz official.

"Comrat is now busy forming new structures of Gagauz Yeri, and does not attach much importance to what is happening in Chisinau," he said.

"We have condemned categorically the recent street manifestations of students in Chisinau which destabilized the socio-political situation in the republic. And it is a great pity that the president undertook the initiative under the influence of the street unrest, which fact may influence negatively the development of political situation," the official said.

"No matter what the final language name will be, Gagauzia's language policy will remain unchanged, and each person will have freedom to speak the language he feels more convenient to him or her. As for the language name, most Gagauzes do not see any principal difference whether to name it Moldovan or Romanian."

Government Plans To Buy Crude Oil From Iran

AU0305103695 Chisinau INFOTAG in English 2030 GMT 2 May 95

[FBIS Transcribed Text] Chisinau INFOTAG, 2/5/1995—According to the State Fuel Association, sales of oil products diminished substantially in 1994. The

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Association traded 16 percent less petrol (109,000 metric tons) compared to 1993, thirty-eight percent less diesel fuel (198,000 metric tons), and 58 percent less furnace oil (316,000 metric tons).

This state-owned company controls 60 to 70 percent internal oil market. Over half of furnace oil delivered to Moldova by the Association is consumed by the energy sector, and some 60 percent of petrol and diesel fuel is sold to enterprises belonging to the Ministry of Agriculture and Food Industry.

The Association experts believe that when industrial output growth will begin, the republic will have to spend some $1.4 billion to purchase fuel. In recent years, these expenditures do not exceed $330 million, i.e. over 4 times less than necessary for normal economic development.

Moldovan officials lay much hope on purchase of crude oil from Iran. In January of 1995, the two countries signed an agreement on annual supplies of 2.5-3 million tons of Iranian oil. For this purpose, Moldova is planning to build a port with an oil terminal (annual capacity 2,1 million metric tons) in the village of Jurjulesti on the Danube River.

Moldova has addressed to the European Bank for Reconstruction and Development with a request to grant a credit to build the first stage of the oil terminal. The Bank showed readiness to allocate $40 million, and the Greek companies of Avax and Technodomici are ready to undertake the construction of the port and other technical facilities.

Regarding the deal with Iran, negotiations with Azerbaijan concerning the supply of Moldovan goods to the account of Iranian oil imports were unsuccessful, said Moldovan Economy Minister Valeriu Bobutac.

Now Moldova will have to offer its own produce to Iran and to exchange it for oil on barter terms. Besides this, Chisinau will have to find additional hard-curre..cy reserves to pay for annual deliveries of 2.5-3 million metric tons of crude oil.

On April 17 to 20, Chisinau was visited by an Iranian delegation headed by Deputy Agriculture Minister Masud Shahshavari [name as received]. As INFOTAG was told in the Moldovan Ministry of Agriculture, the Iranian side is interested to receive Moldovan sunflower oil, sugar, tractors, and hermetic pumps.

Valeriu Bobutac said that the final volumes of the Moldovan supplies were to be agreed upon during the visit of an official Iranian delegation to Chisinau which was scheduled for April 26, and the sides were expected to sign an agreement on the supply of 2.5 million metric tons of oil, and one more contract for 1.5 million. However, the visit has been postponed till mid May on the request of the Moldovan side.

According to the State Fuel Association, Moldova will need $15-20 million to purchase 2-3 million metric tons of Iranian crude oil.

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Kazakhstan

Official Referendum Results Favor Nazarbayev Tenure

LD0305114595 Moscow ITAR-TASS in English 1133 GMT 3 May 95

[By Gennady Kulagin]

[FBIS Transcribed Text] Almaty, May 3 (Itar-Tass)—Kazakhstan's citizens voted in favour of extending President Nazarbayev's powers until the year 2000 in the referendum held on April 29, the country's central plebiscite committee announced today.

The committee reported that 8,309,637 (91.21 percent) out of 9,110,156 eligible voters came to the polls at 10,194 polling stations on April 29.

7,932,834 voters (95.46 percent) favoured the idea of prolonging the President's powers, whereas 312,256 (3.76 percent) voted against it.

64,647 ballot papers (0.8 percent of the total) were recognised as invalid.

Communists Allege Vote-Rigging in Referendum

LD0305181895 Almaty Kazakh Television First Program Network in Russian 1100 GMT 3 May 95

[FBIS Translated Text] A news conference took place in the House of Democracy today on the results of the national referendum held recently. The news conference was held by the Communist Party, the working-class movement of Kazakhstan, and the Lad [concord] republican Slavonic movement.

There was nothing but accusations in a press release, which by the way was given out only at the end of the news conference. It blamed the Central Election Commission and all the authorities for the unconstitutionality of the referendum. The press release also contained detailed comments made by the leaders of the above voluntary organizations on the nationwide event that took place on 29 April. But all that boiled down to the following: There were irregularities in the voting—there was vote-rigging, therefore the results, which were generally expected, should be declared invalid.

That is OK, but one thing causes doubt. Is there any sense in judging by certain details in order to form an opinion about the whole picture? Furthermore, in sowing the seeds of suspicion in the referendum? Let us remind you that there are more than 10,000 constituencies. As those who held the news conference said, long before 29 April they had expressed dissatisfaction with actions taken by the Central Election Commission. If so, why did these respected organizations not approach the appropriate authorities straight after the actions instead of shaking their fists afterward?

Reorganization in Cabinet of Ministers

LD0305143795 Almaty GORIZONT in Russian 28 Apr 95 p 1

[FBIS Translated Text]

Reorganization in Cabinet of Ministers of the Republic of Kazakhstan

A reorganization has been carried out in the Cabinet of Ministers of the Republic of Kazakhstan. A new structure, the apparatus of the Cabinet of Ministers, has 17 departments. Berdibek Saparbayev has been appointed its head. Erdzhan Utembayev is his chief aide, and Kyrymbek Kusherbayev and Stepan Shutkin have been appointed aides. Kuanysh Erkembayev has become head of the administrative office.

At a news conference held in April, Berdibek Mambetkulovich Saparbayev introduced journalists to the members of his apparatus, and said that he was choosing the heads of departments and their assistants solely on their business qualities, efficiency, and professionalism.

The staff of the press service of the Cabinet of Ministers has been expanded to eight. The increasing number of journalists has led to a greater urgency in arranging news conferences, press releases, and other documents.

Given the absence of a Supreme Council, regulatory acts and packages of priority laws must be redrafted so that they can be prepared as decrees. These will gain the status of laws once they are signed by the president. One might say that executive power has acquired the functions of an apparatus under the conditions of a legal vacuum.

The management of the apparatus has officially declared that initiatives from below must go to the upper echelons of power. In the future the apparatus of the Cabinet of Ministers intends to address regional audiences every quarter.

Saparbayev thinks the apparatus should hold regular news conferences at which it reports back to the media. All questions which interest ordinary citizens can, through the journalists, be resolved with the help of the press service of the Cabinet of Ministers. The service will pass matters to be resolved on to departments of the apparatus.

As head of the apparatus of the Cabinet of Ministers, Berdibek Saparbayev coordinates the activities of ministries and departments, their interrelationship, their disciplinary accountability for failing to fulfull regulatory acts, the working relationship with the future Supreme Council, and the study and implementation of personnel policy.

Erzhan Utembayev is in charge of the economy and production matters and is responsible for the situation in the energy, oil, and gas sectors. He is also head of the

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department for scientific and technological developments, the construction industry, links with international financial organizations, and so on.

Stepan Shutkin monitors the legislative processes and documentation. Thus, 138 different acts, including 24 laws adopted by the former Supreme Council, are being reviewed under his management. This year the apparatus of the Cabinet of Ministers will review 58 laws which will go on to be approved by the president.

Kyrymbek Kusherbayev is in charge of resolving operational issues. His responsibilities include problems of ethnic policy, the social and cultural life of the republic, interaction between the Cabinet of Ministers and the law enforcement organizations, and the war on crime.

Kuanysh Ermekbayev, the head of the administrative office based on the general department, ensures that the apparatus of the Cabinet of Ministers keeps records, handles incoming correspondence, organizes the preparations for government presidium meetings, and arranges for citizens to be received.

The apparatus of the Cabinet of Ministers is thus engaged in ongoing work. Those who are desperate to have their problems resolved will meet with support at state level.

Minister Views Results of Anticrime Campaign

LD0305141595 Almaty KAZAKHSTANSKAYA PRAVDA in Russian 28 Apr 95 p3

[FBIS Translated Excerpt] Interior Minister B. Bayekonov answers KAZAKHSTANSKAYA PRAVDA's questions. [passage omitted]

[KAZAKHSTANSKAYA PRAVDA] Can the initial results of these measures and of the "law and order" operation as a whole be summed up already?

[Bayekonov] Yes, it is very likely that an improvement in the crime situation is on hand. The main thing is that we have managed to stop the galloping rate of growth in practically all forms of crime, and we have managed to reduce the crime rate in some types of crimes (rape; theft of private property, especially from apartments; car theft; burglaries and robberies directed against state and public property; hooliganism).

The activities of the law-enforcement agencies have been intensified to reveal and clear up crimes, especially those hidden crimes which for a long time were beyond our reach. So, the percentage of crimes cleared up during round the clock duty, following "hot leads," grew from 55 to 78.8 percent in the republic, and in the capital to 86.5 percent. The criminals responsible for 11,432 previously unsolved crimes have been identified.

This year nearly 50 percent more crimes relating to illegal drugs trafficking have been cleared up compared to last year, and 10 percent more crimes cleared up in the economic sector, including a 46.9 percent increase in substantial and very substantial thefts, a 40 percent increase in bribery cases, and a 52 percent increase in abuse of power or official status. Over 3,000 firearms and about 600 kg kilograms of drugs have been seized. A total of 1,059 thefts have been cleared up—141 of these concerned very substantial amounts—and 57 bribes. Checkups have been carried out on the activities of 10,000 facilities under different kinds of ownership. Over 5,000 violations have been revealed and proceedings have been instituted on around 800 criminal cases, with a total damage of about 15 million tenge. A total of 32 large export enterprises have been checked for timely and full receipt of currency funds into the republic. Checks have been carried out in 5,734 trade enterprises, 2,031 catering enterprises, 774 hostels, 699 exchange offices, 86 casinos, and 1,427 gasoline stations to verify currency being entered as received and the correctness of deductions into the budget. Over 6,000 different violations have been revealed and operational and investigation measures are being carried out most actively regarding these.

The struggle against organized crime has been intensified. Groups to combat blackmail have been set up in all regions. A total of 223 criminal groups have already been neutralized. A series of criminal cases has been instituted using the possibilities provided for by the president's decree on fighting criminal groups.

Just within the period of carrying out the "Law and Order" operation, special groups from internal affairs organizations set up to combat car thefts thwarted 24 attempts to steal cars, and 44 previously stolen cars were found. Over 37,000 citizens were detained for various infringements, including 3,500 for petty hooliganism. A total of 17,500 persons were brought to book for drinking alcohol and being drunk in a public place. Over 1,000 homeless and jobless people were detained.

In line with instructions from the president of the republic, we are restoring the system of mobile police posts, once well known to the citizens of the republic. Today, 255 mobile police posts are already operating in the streets of our cities. Permanent police posts are being set up in many places.

All the above, jointly with other measures, has brought about a reduction in street crime of 11 percent.

In the republic, 19 medical and preventive institutions and departments in drugs and psychiatric clinics for alcoholics and drug addicts have started work, and about 300 people are already being treated at these places.

Finally, I must mention the fact that we are waging an especially severe and implacable fight against those who have betrayed their position. At present, criminal cases are being investigated regarding 44 police officials, 11 judges, five officials from the prosecutor's office and 20 officials from various power and management organizations.

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So, as we can see, the struggle against crime is extended to the widest front and the criminal world must not cherish any hopes. The attack directed against it today will not become a routine campaign which calmly fades away.

Socioeconomic Situation Behind Falling Birth Rate

LD0405083495 Almaty NOVOYE POKOLENIYE in Russian 27 Apr 95 p 10

[FBIS Translated Excerpt] "If I were a tsarina I would give a birth to a hero" are well-known lines from a fairy-tale. By some strange process of association, I was reminded of this by something I heard from a woman whom I met in the city's human reproduction center. She was claiming that she was unable to retain her baby because of her family's poverty-stricken situation. If that were not the case...

Socioeconomic ills affect many things, first and foremost the birth of children. Is this not the reason why the birth rate in our country is falling? In order to find out the detailed reasons for this important problem, I contacted the above office.

The chief doctor at the center, Tamara Dzhusubaliyeva, confirmed how serious the issue was. The birth rate really is declining noticeably. Over the past five years it has fallen 27 percent in Almaty alone, while the general mortality rate has increased 2, percent, and natural [population] growth has fallen by a factor of 24. This points to a catastrophic decline in population reproduction.

There are a number of reasons for this, but I repeat that the main one is socioeconomic. In a country where people with many children were respected from ancient times, it has become a problem for many people to bring up and provide for one or two children. That is why there is a need for knowledge about how to plan families in the right way, to maintain healthy regeneration, and so on. All these problems are being tackled by the family planning center. The volume of its services has increased with the opening of 28 specialist offices at gynaecology clinics.

The view here is that the birth rate is falling because of abortions. The number of abortions is 30 times higher than in Western countries. About 20,000 abortions a year are carried out in Almaty alone. This means 20,000 forcibly terminated lives. Over 1,000 of them are carried out at later stages of pregnancy. This is a crime before nature, because the babies are already alive and aware of their mothers. Terminating their lives is murder. [passage omitted]

Kyrgyzstan

U.S. To Supply $53 Million in Aid in 1995

LD0405061395 Bishkek VECHERNIY BISHKEK in Russian 26 Apr 95 p 6

[FBIS Translated Text] The U.S. Embassy to the Kyrgyz Republic reports that in rendering assistance to Kyrgyzstan, the U.S. government's preference is for gratis grants. It is planned to allocate $53 million for 1995. The sum total of the gratis aid given to our state in 1994 was $202 million. This is the highest figure for any CIS country. Taking the grants of previous years into account, the total volume of food aid to Kyrgyzstan is $143 million, medical supplies within the framework of humanitarian aid total $50 million and technical assistance amounts to $62 million.

The list of the main aid projects which the United States is implementing in Kyrgyzstan includes cooperation between the medical centre of the State of Kansas and the Ministry of Health of the Kyrgyz Republic; the Farmer to Farmer program; expert back-up and consultancy services for the National Bank, the State Committee for the Economy, the State Property Fund, and the Kyrgyzenergoholding joint-stock company; English-language courses run by Peace Corps volunteers; trips to the United States arranged by the U.S. Agency for International Development (USAID) to enhance the qualifications of Kyrgyz experts; cooperation programs between universities; and exchanges of school pupils and students under U.S. Information Agency (USIA) auspices.

The Kumtor Gold joint company is to receive credits, rather than grants, from the Chase Manhattan Bank to fund gold mining projects in Kyrgyzstan. The board of directors of OPIC, the U.S. government corporation which insures private investments abroad, is providing political risk insurance worth $200 million.

In addition, Kyrgyzstan will receive a share of the $150 million which the U.S. Government has allocated to the Central Asian Enterprise Fund. This money is intended to provide credit for private enterprises.

U.S. Envoy Offer Help in Narcotics War

LD0305122795 Bishkek SLOVO KYRGYZSTANA in Russian 27 Apr 95 p1

[FBIS Translated Text] The flow of drugs which has swept across the south of Kyrgyzstan seems to alarm our friends more than it does us. During a trip to Osh Region, Ms Eileen Malloy, U.S. ambassador to the Kyrgyz Republic, showed great interest in the situation along the Khorog-Osh drugs route, unlike officials in Bishkek, who talk and wave their hands about more than they take practical steps.

During talks with Dzhanysh Rustenbekov, head of Osh Region state administration, Ms Malloy shared her views on the problems of fighting the drug business, which increasingly threatens the whole region. She expressed her thoughts on how to stop it, especially on the border between Kyrgyzstan and Tajikistan.

The ambassador said the U.S. is ready to help in providing technical equipment for customs and other services engaged in the war to prevent narcotics seeping through.

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Furthermore, according to the ambassador, the republic's population is poorly informed about the assistance the West, and the United States in particular, is providing. She spoke about the media's role here.

The U.S. ambassador also held talks at Sodruzhestvo, the regional association of ethnic Russians. The conversation dealt with the situation of the Russians in the south of the republic, on ways of reducing migration, and the multilateral activities of the association in running general educational, cultural, economic, and social programs.

Kyrgyzstan Develops Economic Ties With Iran

LD0305152895 Bishkek SLOVO KYRGYZSTANA in Russian 27 Apr 95 p1

[FBIS Translated Text] The trade path to Iran will not become overgrown and neglected. It is clear that business life in Kyrgyzstan has been passing under the star of cooperation with Iran for the last two weeks. The Kyrgyz-Iranian Trade House and the third exhibition of Iranian goods have opened in Bishkek; and today, 27 April, the official visit by Prime Minister Abbas Dzhumagulov to the Islamic Republic of Iran will conclude. The strengthening of the multilateral partnership between the two states also became one of the main topics of negotiations held by the prime minister with that country's leaders and businessmen.

B. Perfilyev, chairman of the Kyrgyzstan Chamber of Commerce, who is at the same time a member of the Kyrgyz-Iranian commission on economic cooperation, also paid a business trip to Tehran recently. During meetings with his colleagues, the head of the Iranian Chamber of Commerce, and heads of industry and mines, he discussed issues relating to the speedy opening of a mission of our chamber in Iran, as well as the possibilities of setting up joint ventures. Some issues relating to the construction of a trans-state Kazakhstan-Kyrgyzstan-Turkmenistan-Iran highway in the near future were also touched upon. This would be the shortest way connecting India and Southeast Asia with the Central Asian region.

Envoy Holds Talks With Republic's Ethnic Germans

LD0205181095 Bishkek V KONTSE NEDELI in Russian 29 Apr 95 p 2

[FBIS Translated Text] Only about 38,000 out of the 102,000 Germans of Kyrgyzstan—according to the 1989 census—now remain in the republic.

Juergen Scheller, Germany's ambassador extraordinary and plenipotentiary to Kyrgyzstan, recently paid a brief visit to the southern part of republic. He was accompanied by Valeriy Dil, chairman of the Kyrgyzstan Germans' Council and a people's deputy of the republic.

A whole day was devoted by the German ambassador to Mayli-Say, the largest area occupied by the German diaspora in the south. In connection with the results of the Mayli-Say meetings, and in reply to a question from the correspondent on the German problem and the measures the German Embassy is taking to solve it, Dr. Scheller said:

"The situation of the Germans in Mayli-Say does not differ from that of the rest of the population. All of them are suffering equally. The situation is not good at the town's largest enterprise, the Mayli-Say electric valve plant, where Germans make up the majority of the employees. It is possible that around 2,000 people here will be dismissed this year. We are looking for ways of solving the problem by creating new jobs for the Germans right here in the town and possibly beyond Dzhalal-Abad region. A society or support fund for this purpose is to be set up."

This plan would only be possible with support from the government of Kyrgyzstan, the ambassador underlined.

In Osh, Scheller met J. Rustenbekov, head of the region, and discussed the same problems with him—the employment of Germans and protection of the diaspora and its language and culture. The ambassador and the leader of the Germans of Kyrgyzstan also held brief talks with members of the Osh German diaspora. Dil briefed his fellow nationals on the main directions of the activity of the Kyrgyzstan Germans' Council. The problem of migration to the historic motherland or to Russia was expressed strongly during the conversation.

It was noted at the meeting that the flow of German migrants out of Kyrgyzstan was not diminishing. When Scheller asked who wanted to leave, all those present raised their hands.

Tajikistan

Tajik-Afghan Border Said Major Drug Route

LD0305183895 Moscow Russian Television Network in Russian 1300 GMT 3 May 95

[From the "Vesti" newscast]

[FBIS Translated Text] [Correspondent A. Samoletov] The inter-Tajik conflict increasingly resembles a multilayer cake, and every new circle of this tricky structure turns out to be soaked in drugs. Here is (an extract) from a news conference by Colonel General Aleksandr Tymko, first deputy director of the Federal Border Service of the Russian Federation:

[Begin Tymko recording] The second part. It is not only an issue of power, or opposition actions, but also political aims here. First and foremost we are concerned about the future. The future shows that the Pamir is the gate to the narcotics business. [end recording]

[Samoletov] Here is operative information. The dismantling of the antiaircraft defense system in the Pamir sector does not nowadays exclude the monitoring of the

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movement of helicopters in the bordering air space. Only during the month of March several unidentified helicopters landed in the area of the Vanj valley. According to unconfirmed data there have been narcotics on board three helicopters destined for Russia. Here is some information from military sources.

Lately, the concentration of employees from the Western special services specialized in fighting the drugs business is being observed in the area of northern Afghanistan and the Afghan Pamir region. The U.S. Federal Bureau of Investigation has lately been paying close attention to the al-Jihad (military) training center.

According to data from border guard sources, recently, during the course of a cargo-interception operation the following instruction for members of the opposition groups stationed in the territories of Tajikistan was found. This letter is signed by Sayed Abdullo Nuri, the leader of the Tajik opposition.

[Begin unidentified person recording] The free of charge parcels designed for the Russians border guards should be delivered as soon as possible. They have to receive our parcels as often as possible. This is written in the drugs parcel. It also says that the parcels should be given to traders, and they are free of charge for soldiers and officers. All field commanders received an instruction on spreading our parcels. In addition to that, find as many people as possible among the soldiers who can organize desertion from a detachment. [end recording]

[Samoletov] According to data received from competent sources, such instructions are a part of the so-called "M" plan, worked out during the Afghan war. The main aim of the plan is to make Russia an ideal transit zone for the transportation of drugs. It is supposed that the conflict in Tajikistan will be continued further. According to available data, there are thoroughly tried and well-protected drugs channels. These channels go through the Tajik-Afghan border, and they spread further into Kyrgyzstan, Uzbekistan, and Russia. The normalization of the situation is causing an extremely negative reaction among drug dealers in Afghanistan as well in Russia. This may cause an aggravation of the situation on the border in the near future. It should be stressed that it is precisely the Russian military border guards that will get the first blow.

[Begin Tymko recording] [Words indistinct] About 50 percent of those detained among the opposition supporters are drug traffickers. Lately, we have confiscated 32.5 kg (narcotics) [words indistinct]. [end recording]

Russian Soldiers Find Tajik Opposition Arms Cache

LD0305183995 Dushanbe Radio Tajikistan Network in Uzbek 1300 GMT 3 May 95

[FBIS Translated Text] Russian frontier guards prevented the opposition from illegally crossing the Tajik-Afghan border. The KHOVAR news agency correspondent learned from military sources that on the night of 2-3 May, a rebel group attempted to cross the border at the section by the 11th border post of the Moskovskiy border troops. Shots were fired against the armed frontier infringers, who suffered casualties.

The Kalay-Khumb border detachment of the Russian Border Troops found a cache of arms and ammunition belonging to the Tajik opposition. According to reports from the command of the Russian Border Troops stationed in Tajikistan, the arms and ammunition cache was found in Yigit village. This is the second hidden opposition arms dump neutralized by the Russian border guards in the aforementioned mountainous area.

Government Forces Exchange Prisoners With Opposition

LD0305173295 Moscow ITAR-TASS World Service in Russian 1337 GMT 3 May 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Excerpt] Dushanbe, 3 May—Four captive servicemen from Tajik Defense Ministry subunits were handed over by the leaders of an armed opposition group to military representatives of the Dushanbe authorities on Tuesday [2 May] evening. They were exchanged for two Tajik opposition irregulars captured by the Tajik Government troops during the fighting on the Tajik-Afghan border this April. The exchange took place in a village of the Gorno- Badakhshan autonomy of Tajikistan, near the border, following four-day talks between representatives of the Tajik Security Ministry and Defense Ministry on the one hand, and a field commander of the opposition group on the other. The ITAR-TASS correspondent learned this from well-informed military sources in the Pamir area. [passage omitted]

According to various reports, the Tajik mojahedin have captured 200 to 300 government troops since 1994. About 30 of them were exchanged last fall for 27 opposition activists arrested by Tajikistan's special services. The Tajik Government is continuing intensive talks with field commanders of the opposition concerning the release of the remaining prisoners.

Turkmenistan

Texas Oil Conference Draws Official U.S. Support

LD0405082295 Ashgabat TURKMEN PRESS in Russian 1003 GMT 1 May 95

[FBIS Translated Excerpt] [no dateline as received] The conference devoted to Turkmenistan's oil and gas industry has ended its work in Houston, Texas. A four-day conference in Houston on Turkmenistan's oil and gas industry has demonstrated that international business has a real interest in it. The Houston international conference center was filled to capacity. Business authorities from all over the world who possess special

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insights into the state of the market were gathered here. Over 100 of the world's leading companies participated in the conference.

The participation of American federal organizations in the conference was of special significance. It confirmed the American Government's interest in establishing business contacts with Turkmenistan and represented a guarantee for private businesses. These guarantees were confirmed by representatives of the U.S. Department of Energy and the Trade and Development Agency, who had visited Turkmenistan with an American Government delegation. [passage omitted]

The U.S. Trade and Development Agency, which specializes in providing funding for technical feasibility studies for major projects, announced it was to grant funds for the reconstruction of the Turkmenbashy seaport and oil refinery, as well as for a technical and economic feasibility study on telecommunications. [passage omitted]

Shikhmuradov Concludes Contacts, Departs Turkey

TA0305084995 Ankara TRT Television Network in Turkish 2010 GMT 2 May 95

[Announcer-read report over video]

[FBIS Translated Text] Boris Shikhmuradov, Turkmen deputy prime minister and foreign minister, has concluded his official visit to Turkey and left the country.

Shikhmuradov held his last meeting with Hikmet Cetin, state minister and deputy prime minister, at parliament this morning. During the meeting, Cetin said that there are no borders in Turkish-Turkmen relations. Noting that Turkey has supported Turkmenistan from the very first day it declared its independence, Cetin added that Turkmenistan will become the most developed and richest country in Central Asia in the future.

[Begin Cetin recording] As you know, one of the most important projects in the region is the marketing of Turkmen natural gas to Europe via Turkey. We, as Turkey and Turkmenistan, attach great importance to this issue. [end recording]

Shikhmuradov was seen off at Esenboga Airport by Foreign Minister Erdal Inonu. In an airport statement, Inonu said the deficiencies in the economic, political, and cultural relations between the two countries and the measures to be taken to counter them were determined during this visit.

[Begin Inonu recording] For example, on the issue of education, we mentioned the possibility of new students coming from Turkmenistan. This will happen. The activities of our businessmen are continuing successfully. These activities were reviewed once more. [end recording]

Inonu stated that Turkey will continue to support Turkmenistan in every field. Shikhmuradov said that his contacts had been very beneficial, adding that a decision was reached to establish a Turkish-Turkmen business council and that possibilities for cooperation in the field of education were assessed in detail. He noted that developing cooperation in the energy field and marketing Turkmen oil and natural gas in Europe via Turkey were discussed at the talks, adding that agreement can be reached on any viable alternative regarding the pipeline that will transport Turkmen oil and natural gas.

International Oil-Gas Exhibition Held in Ashgabat

LD0105153595 Ashgabat TURKMEN PRESS in Russian 1510 GMT 1 May 95

[FBIS Translated Excerpt] New prospects for Turkmenistan's cooperation with foreign companies in the oil and gas sector have been marked out by the second International Exhibition "Ashgabat-95". The professional interest of Turkmen specialists was aroused by the latest technology and equipment for this sector displayed by foreign companies at the exhibition.

The equipment of one of them - the American Highdrill company, which supplies 60 percent of the world market - has already been tested at Turkmenistan's oil and gas deposits. The Argentine firm Bridas has for more than two years bought its drilling equipment for the Yashlar and Keymir joint-stock companies. Highdrill has now proposed supplying its equipment direct to Turkmen customers, in an approach to Turkmenistan's Ministry of Oil and Gas. The possibility of establishing a service and repair center in Turkmenistan was also discussed. [passage omitted]

The U.S. Eximbank, which intends to open a credit line for Turkmenistan, may be one way of financing future supplies. It is considering allocating up to $120 million for the needs of the oil and gas sector.

Czech businessmen at the exhibition showed great interest in Turkmenistan's oil and gas sector. In particular, the MSA company offered a broad range of equipment for the oil and gas industry. The same company and the Czech Sigma plant stated their readiness to establish cooperation in the construction of a gas pipeline to Europe.

Uzbekistan

IMF Role Reviewed as Camdessus Visits

LD0405084295 Tashkent NARODNOYE SLOVO in Russian 3 May 95 p 1

[FBIS Translated Excerpt]

The International Monetary Fund Promotes Reforms

Michel Camdessus, managing director and chairman of the executive council of the International Monetary

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Fund, has arrived in Tashkent. In view of this, our correspondent asked L. Petrova, administrative assistant of the IMF's permanent representative in Uzbekistan, to tell our readers about the IMF's functions and its activity in Uzbekistan. [passage omitted]

[Petrova] Uzbekistan became a member of the IMF in September 1992. The Fund's employees have taken serious steps to support the Uzbek Government's efforts in the area of economic reforms. The IMF has granted extensive technical assistance to the Central Bank of the Republic of Uzbekistan, the Ministry of Finance, and other government establishments. The technical assistance was initially channelled into improving the taxation system, implementing monetary policy, as well as improving the payments and accounting mechanisms.

After it completed its first consultations in November 1993, the fund increased its technical assistance program for Uzbekistan. Next followed the granting of technical assistance for the introduction of the national currency and the compilation of statistical data on currency circulation, the state's finances, balance of payments and prices, as well as the national accounts. The IMF provided consultancy services and help in implementing credit and currency policy, as well as on social security issues. The Uzbek Government also received technical assistance from the fund in the sphere of economic legislation.

A permanent IMF mission opened in Tashkent in September 1993. The Fund's permanent advisers took part in the computerization of the State Taxation Committee and in formulating the Central Bank's monetary policy.

From the beginning of 1994 a number of important steps were taken to accelerate the process of moving Uzbekistan's economy from a centralized planned system to a market system and the creation of an all-embracing coordinated macroeconomic program. When the national currency, the som, was introduced in July 1994 a tough fiscal policy followed which lessened inflationary pressure. The decline in production in Uzbekistan continued to be considerably less than other former Soviet countries.

On 25 January 1995, the IMF executive council approved a loan to Uzbekistan within the framework of the MSP [expansion unknown] to support the government's program of macroeconomic stabilization and systems reforms for 1995. Uzbekistan received the first tranche of this loan in January 1995.

Deputy Premier Meets Head of IMF

LD0305152495 Tashkent Radio Tashkent in Uzbek 0930 GMT 3 May 95

[FBIS Translated Text] Today the members of the delegation visiting our state headed by Michel Camdessus, managing director of the International Monetary Fund, were received at the Cabinet of Ministers.

Bakhtiar Hamidov, deputy prime minister and finance minister, met the guests. He outlined the financial policy being conducted in our state and the implementation of measures in the conditions of the market economy, and informed the guests that the current rate of inflation of the national currency in Uzbekistan was 7.8 percent, while the budget deficit stood at 1.3 percent. He also emphasized that the cooperation program signed between the IMF and the Uzbek Government was bringing results in a solid financial policy and that these cooperation results would play an important role in the future.

Michel Camdessus, director of the IMF, expressed his gratitude for the meeting and voiced the view that the Uzbek Government, using international methods for the transition period which are proven in world market economic practices, was moving along a specific road of its own. He also spoke about the readiness of the IMF to carry out the next phase of the cooperation program with Uzbekistan. He also said that in this context there was a plan for a separate mission to operate in Uzbekistan.

The meeting was attended by Daniel Kaeser, executive director of the IMF; (Ley Hangsen), second councillor of the Fund's European Department; (Istvan Szalkai), the Fund's representative in Uzbekistan; and Faizullo Mullajonov, chairman of the board of the Central Bank of Uzbekistan, and other officials, on the Uzbek side.

Karimov Receives IMF's Camdessus

LD0305171495 Tashkent Uzbekistan Television in Russian 1430 GMT 3 May 95

[FBIS Translated Text] Today, President Islam Karimov received Michel Camdessus, managing director and chairman of the Executive Council of the International Monetary Fund.

Greeting the guest on Uzbek soil, the president noted that currently the IMF was one of the most authoritative financial funds in the world. Having become a member of the IMF, Uzbekistan has achieved considerable progress in the field of strengthening cooperation between the republic's government and the IMF, which renders weighty support to the government's programme for macro-economic stabilization and the implementation of reforms in Uzbekistan.

During the conversation, Karimov expressed the opinion that the visit of Camdessus to our republic would contribute to the achievement of further progress between the IMF and Uzbekistan on the issue of the complex program promoting economic stabilization.

Camdessus expressed his gratitude for the reception.

Present at the reception were Bakhtiar Hamidov, deputy prime minister and minister of Finance; Faizullo Mullajonov, chairman of the board of the Central Bank; and (Istvan Szalkai), the IMF's representative in Uzbekistan.

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Kazakhstan, Kyrgyzstan, Uzbekistan Form United Battalion

LD0405101695 Moscow Russian Public Television First Channel Network in Russian 0500 GMT 4 May 95

[Shakhnoza Ganiyeva video report; from the "Novosti" newscast]

[FBIS Translated Text] Life itself has dictated the need to set up a new united battalion of peacekeeping forces under UN aegis in Central Asia. This is demonstrated by the tense situation on the Tajik-Afghan border and the numerous attempts at illegal smuggling of weapons, munitions, and hundreds of kilograms of narcotics into Central Asian countries.

The idea of setting up this battalion from the national armed forces of Uzbekistan, Kazakhstan, and Kyrgyzstan came from the presidents of these countries, who announced this idea in the joint communique on the results of their recent meeting in Chimkent. The initiative has received the support of UN General Secretary Butrus-Ghali.

The contingent of the new united battalion will be comprised mainly of natives of Central Asia who are well acquainted with the local conditions and the local situation. They will be called upon to prevent possible local conflicts in these countries and thus promote regional stability and security. [Video shows tanks, equipment, armed men, vehicles, arms, men in training, presidents signing documents, men marching and engaged in close combat training.

Parliamentary Committee Approves Uzbek Language Bill

LD0405104895 Tashkent NARODNOYE SLOVO in Russian 3 May 95 p 1

[Unattributed article: "In the committee of the Supreme Assembly of the Republic of Uzbekistan"]

[FBIS Translated Excerpt] The committee on issues of science, education, culture, and sports of the Supreme Assembly of the Republic of Uzbekistan met today. The session was chaired by committee Chairman Askar Kholmurodov. [passage omitted]

The meeting examined matters concerning the "Hero of Labor" and "Glory" orders of the Republic of Uzbekistan, as well as a bill on amending the law "On the introduction of the Uzbek alphabet, based on the Latin script" and making alterations to the Supreme Council resolution "On the procedure of implementing the Law of the Republic of Uzbekistan on the introduction of the Uzbek alphabet, based on the Latin script." The deputies approved the above documents and agreed to put them on the agenda of the second session of the Supreme Assembly. [passage omitted]

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Armenia

Russian, CIS Delegation Arrives for Conflict Zone Tour

LD0305192495 Moscow INTERFAX in English 1549 GMT 3 May 95

[FBIS Transcribed Text] YEREVAN, May 3 (Interfax)—A delegation of the Russian Federation Council and CIS Interparliamentary Assembly Council arrived in Yerevan Wednesday for a four-day tour of the Armenian-Azerbaijani conflict zone.

Vadim Gustov, Federation Council CIS Affairs Committee chairman, who heads the delegation, told Interfax that the goal of the tour is to sort out the situation in the Armenian-Azerbaijani confrontation zone in order to help the Russian parliament and the CIS Interparliamentary Assembly define the roles they can play in settling the conflict and in arranging the exchange of prisoners and hostages.

According to Gustov, the Armenian, Azerbaijani and Nagorno Karabakh leaders had promised over the telephone full assistance in tackling the exchange. He said that the Armenians and Azerbaijanis disagreed over the exchange procedure and that the delegation will try to help the two sides reach a compromise.

Gustov said that during their meetings in Yerevan, Baku and Stepanakert the delegation will also discuss a political settlement of the Karabakh conflict. He said that dialog should be more vigorous so as not to lose the momentum gained by the nearly year-long ceasefire.

Gustov added that the refugee problem will also be discussed. Russia will soon send 40 tonnes of humanitarian aid, chiefly medicine, to Azerbaijan.

Ararktsyan Proposes 'All for All' Prisoner Exchange

LD0305192795 Moscow INTERFAX in English 1549 GMT 3 May 95

[FBIS Transcribed Text] YEREVAN, May 3 (Interfax)—Armenian Parliamentary Chairman Babken Ararktsyan believes that the exchange of prisoners between Armenia and Azerbaijan should be carried out by International Red Cross Committee lists and according to the principle "all for all." He made this statement in an interview with Interfax after a meeting between a Russian Federation Council delegation and the CIS Interparliamentary Assembly Council in Yerevan Wednesday [3 May].

According to Ararktsyan, the Nagorno-Karabakh position on the issue "in principle did not differ from that of Armenia."

According to the International Red Cross Committee, the number of prisoners on both sides reaches 170, including 120 in Nagorno-Karabakh, 24 in Armenia and 38 in Azerbaijan.

Asked about the future status of Nagorno-Karabakh, Ararktsyan emphasized that such issues will be discussed "when steady peace is established in the conflict area and Azerbaijan's blockade of Armenia lifted."

Start of Prime Minister's Visit To Iran Reported

NC0305200495 Yerevan Radio Yerevan International Service in Armenian 1800 GMT 3 May 95

[FBIS Translated Text] An Armenian Government delegation headed by Armenian Prime Minister Hrand Bagratian left for Tehran today at the invitation of the Iranian Government. A number of documents on mutual protection of capital investments, avoidance of double taxation, and on cooperation in trade, energy, agriculture, and banking fields, as well as protocols in the sphere of health, science, education, customs cooperation, and industry are expected to be signed.

Deputy Premier Meets Gas, Atomic Energy Officials

NC0305204995 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 3 May 95

[FBIS Translated Text] Armenian Deputy Prime Minister Vigen Chitechyan, who is in Moscow for a one day working visit, met today with the leadership of the Russian (?Gasprom) stock company. They discussed a number of issues of mutual interest, including the supply of (?Russian) gas to Armenia.

On the same day Vigen Chitechyan took part in the regular consultation held at the Russian Atomic Energy Ministry devoted to the (?recommissioning) of the second reactor of the Armenian nuclear power plant. The results of the repair and restoration work at the nuclear plant were summed up, and matters relating to the implementation of the additional safety measures [words indistinct] at the nuclear plant were discussed. It was also agreed to hold the next regular consultation in mid-May in Yerevan.

Azerbaijan

Gasanov Receives Visiting NATO Delegation

LD0305181195 Moscow INTERFAX in English 1540 GMT 3 May 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] BAKU, May 3 (Interfax)—Azeri Foreign Minister Gasan Gasanov met a visiting delegation of NATO experts Tuesday [2 May]. In his opinion, cooperation between NATO and Azerbaijan which has recently joined the NATO Partnership for Peace program is developing successfully.

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Speaking of control over conventional arms, Hasanov called on NATO to estimate the strength of the Armenian armed forces with due account of the fact that some Armenian units, in the opinion of Azerbaijan, are staying on "Azeri territories occupied by the Armenians."

NATO Cooperation Program Assessed

LD0305113895 Moscow INTERFAX in English 1008 GMT 3 May 95

[FBIS Transcribed Text] Baku, May 3 (Interfax)—Azeri Foreign Minister Gasan Gasanov met a visiting delegation of NATO experts Tuesday [2 May]. In his opinion, cooperation between NATO and Azerbaijan which has recently joined the NATO Partnership for Peace program is developing successfully.

Speaking of control over conventional arms, Gasanov called on NATO to estimate the strength of the Armenian armed forces with due account of the fact that some Armenian units, in the opinion of Azerbaijan, are staying on "Azeri territories occupied by the Armenians."

Turkish Foreign Minister Arrives, Begins Contacts

NC0305132695 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1250 GMT 3 May 95

[FBIS Translated Text] Turkey's Foreign Minister Erdal Inonu arrived in our republic today on a two-day official visit. The Turkish foreign minister met Azerbaijani Foreign Minister Gasan Gasanov today and inspected the diplomatic corps building built with Turkish credit. Erdal Inonu is now meeting with the chairman of the Supreme Soviet, Rasul Guliyev. Afterward President Geydar Aliyev will receive Inonu.

Inonu Received by Aliyev

NC0305185595 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 3 May 95

[FBIS Translated Text] After conveying warm greetings from the Turkish President Suleyman Demirel and Prime Minister Tansu Ciller to the Azerbaijani president, [Turkish Foreign Minister] Erdal Inonu specifically noted that the expansion of cooperation between the fraternal states is vital and in conformity with international law and that such meetings play an important role in the development of relations.

President Geydar Aliyev said that Turkish-Azerbaijani relations over the centuries have been based on linguistic, religious, and cultural unity and that attraction and affection between our countries is mutual.

Turkish Foreign Minister Erdal Inonu expressed concern over the occupation of Azerbaijani lands and the lack of any agreement between Armenia and Azerbaijan despite the more than 11-month-long cease-fire. He noted that Azerbaijan president's diplomatic efforts for the preservation of The republic's independence and liberation of our lands are followed in Turkey with great admiration.

Geydar Aliyev said that under the present conditions the Major Peace Agreement is of vital importance provided that Azerbaijan's territorial integrity is guaranteed, and added that he expects much from the OSCE Minsk Conference and from Turkey's efforts toward a solution to this problem. He highly assessed Turkey's services in the adoption of the UN Security Council resolutions and of the [OSCE] Budapest summit resolution. At the same time, he noted that those were all past activities, and Turkey should continue taking new steps to assist Azerbaijan. The Azerbaijani president also indicated that parliamentary elections will be held in Azerbaijan in the near future with the participation of 50 parties, and these elections will notify the whole world of the extent of consolidation of democracy in Azerbaijan. There are many more possibilities for developing economic ties between Azerbaijan and Turkey, and the EU, IMF, World Bank, and European Bank for Development and Reconstruction are demonstrating growing willingness to assist Azerbaijan. The implementation of privatization and agricultural reforms will play an important role in the revival of the Republic's economy. As a country that has a 75-year-long parliamentary experience and has proven itself in the world with its economic strength and diplomatic position, Azerbaijan, which won its independence just three years ago and has suffered three coups since, also relies on Turkey's support and protection.

Karabakh Conflict Viewed

LD0305221095 Moscow ITAR-TASS World Service in Russian 1656 GMT 3 May 95

[By ITAR-TASS correspondents Sevindzh Abdullayeva and Viktor Shulman]

[FBIS Translated Text] Baku, 3 May—Azerbaijan is relying on Turkey's support in settling the Armenian-Azerbaijani conflict in the framework of the OSCE and in overcoming economic difficulties the republic encountered in the current transitional period. Azerbaijani President Geydar Aliyev expressed this view when he received Turkish Foreign Minister Erdal Inonu today. Inonu has arrived in Baku on a two-day working visit.

The head of the Azerbaijani state sees a solution to the Karabakh problem in signing a large-scale political agreement that will bring peace to two neighboring countries and their peoples. To achieve this honorable target, it is necessary to resume the peace process as soon as possible and to remove by joint efforts tension that has arisen regarding some issues. In his words, Azerbaijan is greatly interested in this, as the suffering side to the conflict that has already taken 20,000 lives and left more than a million people in the republic without roofs over their heads; at the end of the day 20 percent of the republic's territory were occupied.

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Turkey, Erdal Inonu said, advocates the full withdrawal of Armenian formations from Azerbaijani lands, restoration of Azerbaijan's territorial integrity, and political solutions to a range of issues that will guarantee peace and stability in the region. The Turkish minister also spoke in favor of developing and deepening economic ties between the two countries. According to Inonu, during his stay in Baku he intended to discuss questions connected with the forthcoming visits to Azerbaijan by the Turkish president and prime minister.

Received by Foreign Minister

NC0305191895 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 3 May 95

[FBIS Translated Text] Now we have a report on the meeting between Turkish Foreign Minister Erdal Inonu and the Republic's Foreign Minister Gasan Gasanov:

[Begin recording] [Reporter] A meeting was held today at the Republic's Foreign Ministry with the Turkish Foreign Minister Erdal Inonu. Foreign Minister Gasan Gasanov noted that there is a long and rich history of friendship and fraternity between the two countries. A great responsibility falls on the generations tasked to keep alive this friendship under the present grave conditions for Azerbaijan. Those who from within and without raise constant obstacles against our republic's independence are also trying to undermine the development of our peoples. However, Azerbaijani President Geydar Aliyev is exerting considerable effort for the preservation of internal stability and statehood. The Turkish state too is not sparing of its support in this direction.

In touching upon the Karabakh conflict, Gasan Gasanov noted that despite Armenia's occupation of more than 20 percent of our republic and the plunder and torching of the homes of more than 1 million refugees, the countries of the world still do not want to recognize Armenia as an aggressor. And, during the talks the Armenian side ignores the problem of Shusha and Lachin.

In reply, Erdal Inonu said that Turkey will never stay on the sidelines in the solution of Azerbaijan's problems, and will spare no effort to draw the attention of the international organizations and international community to Azerbaijan.

Documents on the Black Sea Economic Cooperation Organization and on consular agreement between Turkey and Azerbaijan were signed at the end of the meeting.

Turkish Foreign Minister Erdal Inonu and the Republic's Foreign Minister Gasan Gasanov visited the building for the diplomatic corps being built by Turkey's (?Ferko) company. They conversed with the builders and relevant instructions were issued to solve some problems. The builders promised to do everything to speedily complete the building. [end recording]

Libyan Delegation Discusses Opening Diplomatic Mission

NC0305141095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1250 GMT 3 May 95

[FBIS Translated Text] Deputy Foreign Minister Albert Salamov has received a Libyan Foreign Ministry delegation. Issues concerning opening a Libyan embassy in Baku were discussed during the meeting. It was noted that the opening of the diplomatic mission could lead to developing ties between the two countries.

Party Criticizes U.S. Call For Embargo on Iran

NC0405083595 Baku TURAN in English 1844 GMT 2 May 95

[FBIS Transcribed Text] Baku (May 2) TURAN—A Democratic Party of Azerbaijan (ADP) issued a statement in which the actions of the U.S. aimed at the blocking of Iran are condemned. The document says: "Such actions cause damage to the civil population and do not have any results." The statement notes that "factor of blockade in the course of foreign policy of the U.S. makes the countries to depend on the interests of Washington and restricts their sovereignty".

According to ADP such policy, first of all, is used against islamic countries and weakens the unification of those countries. That makes the living standards in those countries more low and brings about their annihilation, the statement reads.

"Good relations with Iran are very important for Azerbaijan from geopolitical point of view. Despite wrong policy of Iran towards Azerbaijan (aid to Armenia, unification with Russia and common pressure on Azerbaijan and destructive activity towards Azerbaijan) Baku must not join the appeals to block Iran," the statement of the ADP notes.

'Swift' Administrative, Economic Reforms Sought

NC0305195795 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 3 May 95

[FBIS Translated Text] Prime Minister Fuad Guliyev was introduced to the Council of Ministers today in a ceremony.

[Begin recording] [Reporter] The Republic's current economic situation requires swift and effective intervention. Much will depend on the highest government body, whose prime minister has now been appointed. Commenting on this, President Geydar Aliyev said he considers the Council of Ministers the most important executive organ in a presidential system. The president largely blamed the government's weak performance over the last few years for present serious economic and social difficulties. This cannot be denied. Despite its tremendous potential, Azerbaijan has suffered huge losses to date. This situation can only be relieved through well-planned, swift economic measures. The general situation

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requires significant changes in the administrative structures. The fundamental is to introduce structural changes in the near future in the executive organs, ministries, enterprises, and committees, and to eliminate obstacles in the way of implementing the state's economic strategy. The president held the firm view that there cannot be any backtracking and our future depends solely on economic reforms. Geydar Aliyev considered it urgent to take advantage of existing opportunities to make use of our enormous economic potential and reforms. Hence, the situation in all the industrial enterprise in Azerbaijan should be investigated within 15 days under the supervision of the Council of Ministers. The means to revive production should also be studied. All possible options must be considered to stop the rapid decline in production. These measures must be clarified and bold steps should be taken, even it means the closure of some industrial enterprises. The president noted that agricultural reforms have already been launched in the Republic, as well as an important social process, as privatization will soon be realized. It is only natural that we may encounter difficulties on the way to reform; this applies to all the countries undergoing social and economic restructuring. Geydar Aliyev declared that he expects much from the government in restructuring and will be uncompromising against existing shortcomings.

Prime Minister Fuad Guliyev promised he will justify the trust placed in him and will muster every effort for the future of our independent Azerbaijan. [end recording]

Elchibey Supports Resistance Against Tehran

NC0205211795 Istanbul HURRIYET in Turkish 28 Apr 95 p 16

[Report by Irfan Sapmaz: "Elchibey: Iran Oppresses the Azerbaijani People"]

[FBIS Translated Text] Baku—Former President Abulfaz Elchibey has said that the rights of nearly 30 million people of Azerbaijani origin have not been recognized in Iran. He also said that he supports the people of southern Azerbaijan [Iran's Azerbaijan province] and the National Independence Front, which has been established against the Tehran administration.

Elchibey lives in Keleki in the Nakhichevan Autonomous Republic. He made a statement yesterday on the establishment of the National Independence Front. He said that the Azerbaijani people in Iran are not even able to be educated in their own language. Elchibey asserted: "Iran is being crushed by the imperialist forces. Intellectuals are sent to prison. Many of them have been killed. Many of the ethnic traditions and customs have been banned. Unbelievable things are done in Iran."

Stressing that he supports the resistance organization the Azerbaijani community has established against the Tehran administration, Elchibey said: "I want to have the honor of becoming a member of that sacred organization, which will bring freedom to our people. I congratulate all my fellow countrymen in southern Azerbaijan. The path we have decided to follow is the path that Mehmet Emin Rasulzade established in the past."

Georgia

Mkhedrioni Members Arrested in Police Raid

LD0305115395 Tbilisi IPRINDA in Russian 1055 GMT 3 May 95

[FBIS Translated Excerpt] Tbilisi—In connection with the previously reported speech by [President Eduard] Shevardnadze, an IPRINDA correspondent was told at the press center of the Rescue Corps [Mkhedrioni] on 3 May that as a result of the operation carried out by the Georgian Ministry of Internal Affairs in Kakheti, 113 people were arrested, including 12 members of the Mkhedrioni. [passage omitted]

Commenting on Shevardnadze's statement concerning the distribution of flour by the Mkhedrioni to the population of Kakheti, the press center of the Mkhedrioni said that the organization had an aid fund and that various commercial firms were contributing to it. The fund was used to help the families of Mkhedrioni members who had been killed, to develop and organize the Mkhedrioni itself and to carry out charity work.

Abkhaz Paramilitaries Spotted in Gali

LD0305123595 Tbilisi IPRINDA in Russian 1055 GMT 3 May 95

[FBIS Translated Excerpt] Tbilisi—An IPRINDA correspondent reports, quoting Georgian special services, that Abkhaz paramilitaries and armored equipment have recently been noticed entering Abkhazia's Gali District. For example, 180 paramilitaries were observed in the villages of Tagiloni, Saberio, Pirveli Otobaia, and Meore Otobaia. They have no permanent place of deployment and are constantly moving about the territory of the district. [passage omitted]

Top Official Details 'Genocide' in Abkhazia

AU0305163495 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 26 Apr 95 p 2

[Letter "To Petre Chkheidze, Republic of Georgia Permanent Representative in the UN" from Tamaz Nadareishvili, Republic of Georgia deputy prime minister and chairman of the Abkhazian Autonomous Republic Supreme Council; place and date not given]

[FBIS Translated Text] Dear Batono [Georgian polite form of address] Petre!

As has become known to us, Ch. Gharekhan, under secretary general and special adviser, has imparted information "on recent events in Abkhazia" at a regular closed session of the Security Council. He said in his

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address that, on 1 April, in Gali, the Georgian side attacked a funeral procession from the left bank of the Enguri River. He subsequently mentioned the armed confrontation that occurred on 9 April as a result of which one person was killed and three were wounded, for which the Georgian side has also been blamed.

The Abkhazian Autonomous Republic Supreme Council is empowered to state that these facts have no connection with the Georgian side. We have learned from information received that the incident occurred directly among the participants in the funeral procession and subsequently turned into an armed conflict, which resulted in the deaths of several people of Abkhazian nationality. As regards the event that occurred on 9 April, we can inform you that there are no partisan groups whatsoever in Gali Rayon, as we do not approve of such a movement. It is possible that only individual terrorist acts are taking place, perpetrated by the local inhabitants on territory occupied by them as revenge for the murder of relatives.

We take this opportunity to state that there are frequent kidnappings of civilians in the zone occupied by the separatists, which is accompanied by torture with the aim of extracting ransoms.

Furthermore, with the support of reactionary and criminal forces and hirelings from the near abroad and further afield, the separatists in the occupied indivisible part of Georgia, counting on total impunity, are shedding the blood of innocent people, which is exacerbating economic chaos and political anarchy.

Recently, the population remaining in Abkhazia and, first and foremost, the Georgian population that has returned in connection with the peace process have become witnesses of a new stage of genocide that has been unleashed by Abkhazian armed formations and mercenaries. They are displaying particular cruelty in Gali Rayon.

On 9 March, in the village of Otobaia, an armed group of robbers, led by a certain Bagatelia and Gogokhia, wreaked havoc on families, assaulted them, burned down houses, and shot many inhabitants.

On 12 March, several hundred fighters under the command of separatist Interior Minister Givi Agrba entered the rayon in 22 buses and carried out a large-scale punitive operation against the Georgian population. They shot more than 20 civilians and took more than 250 innocent people hostage and burned down many homes and buildings.

Furthermore, at 0900 on 11 March, an armed Abkhazian group crossed the border of the autonomous republic into Zugdidi Rayon and took 15 people—mainly women and children—hostage in the village of Shamgona; their whereabouts are unknown to this day.

All these criminal acts are being committed by the Abkhazian fighters in the zone under the control of the peacekeeping forces and close to where they are garrisoned, as if on the pretext of introducing Abkhazian militia to establish order. This is confirmed also by the information supplied by Batoni Ch. Gharekhan concerning the latest operation conducted by the Abkhazian side on 6 April in which 130 militiamen armed with machine guns, mortars, and armored equipment took part, which is a gross violation of the [cease-fire] agreement of 14 May [1993].

We have at our disposal many reliable documents, photos, and video material that prove that ethnic cleansing and genocide is being carried out against the Georgian population. We can present this material during our visit to the United States.

In connection with the above, on behalf of the refugees and those who have remained on the occupied territory, the Abkhazian Autonomous Republic Supreme Council requests that you urgently take objective measures to put an end to the criminal actions of the Abkhazian separatists, bring peace and tranquility to the people, and restore Georgia's territorial integrity.

[Signed] T. Nadareishvili, Republic of Georgia deputy prime minister, chairman of the Abkhazian Autonomous Republic Supreme Council.

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Estonia

Foreign Minister Pleased With Finnish Relations

LD0405110095 Tallinn Radio Tallinn Network in Estonian 1700 GMT 3 May 95

[FBIS Translated Excerpt] Estonian Foreign Minister Riivo Sinijarv is on his first working visit to Finland today. Here is a telephone interview conducted by Uku Toom, about what was achieved today.

[Begin Sinijarv recording] I had a brief meeting with the Finnish prime minister and a longer one with Finnish Foreign Minister Tarja Halonen. I have to admit that both of these meetings were pleasant, friendly, and matter-of-fact. With the prime minister we discussed cooperation prospects between our governments and countries and we both emphasized the importance of trade between our two countries. With the foreign minister we discussed things at quite some length. [passage omitted]

What was very important was that Finland reaffirmed its support for the Paldiski Base clean-up projects. Finland stated that it will continue its support, and that also means financial support. We found common ground and managed to discuss these issues in the spirit of trust and I feel that we are continuing with good cooperation. [passage omitted] [end recording]

Meri Discusses Relations With New Government

LD0405104095 Tallinn Radio Tallinn Network in Estonian 1700 GMT 3 May 95

[FBIS Translated Text] President Lennart Meri said today that he sees no conflict or difference of opinion on Estonian foreign policy issues regarding Tiit Vahi's government, which came to power recently. During his meeting with a dozen Estonian journalists and media managers, Meri said that he had discussed this issue with Prime Minister Vahi and concluded that their opinions coincide.

The Russian Foreign Ministry issued a statement on Friday [28 April], which contrasted the foreign policy directions of President Meri and Estonia's new government. The document criticized Meri's speech at the Parliamentary Assembly of the Council of Europe. Meri said that this was a tough but a professional statement and emphasized that his speech in Strasbourg in no way provided any grounds for such accusations.

Speaking about his relations with the government, Meri admitted some previous disagreements with Endel Lippmaa, the Euro-minister without a portfolio but concluded that after the 5 March elections he had not been aware of them.

Latvia

Skrunda Radar Building Destroyed; Gailis Comments

LD0405073895 Riga Radio Riga Network in Latvian 0700 GMT 4 May 95

[FBIS Translated Text] The Skrunda radar building was blown up at 0943 [0643 GMT] today. Music specially composed for the occasion by Zigmars Liepins was played, fireworks were ignited, and this was followed by the Skrunda radar building being destroyed by an explosion.

After the event, Prime Minister Maris Gailis said that the long-awaited moment has come—what has been called the Skrunda monster has collapsed.

It should be added that the destruction of the radar building succeeded only after a second attempt. This has been due to considerations of safety, because a helicopter was flying too close to the radar building.

10,000 Copies of Hitler's MEIN KAMPF Published

LD0305141295 Riga Radio Riga Network in Latvian 1301 GMT 3 May 95

[FBIS Translated Text] The publishers VIZITKARTE have published 10,000 copies of Adolf Hitler's book MEIN KAMPF in Latvian. (Inara Bailode), deputy secretary of state at the Ministry of Justice, reports that Article 7 of the law on press and other mass media bans publication of information that kindles racial hatred and propaganda of violence. She believes that according to this article the Ministry of Internal Affairs or the Ministry of Justice could start a criminal case against the publishers VIZITKARTE for publication of Hitler's book.

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